

STRATEGIC EDUCATION, INC.
2303 Dulles Station Boulevard
Herndon, Virginia 20171
(703) 561-1600

Dear Fellow Stockholder:

You are cordially invited to attend the 2025 Annual Meeting of Stockholders of Strategic Education, Inc. (the “Company”), to be held at **8:00 a.m. (ET) on Wednesday, April 23, 2025**, via webcast. At this year’s meeting, you will be asked:

- To elect thirteen directors from the nominees named in the attached proxy statement;
- To ratify the appointment of Deloitte & Touche LLP as the Company’s independent registered public accounting firm;
- To conduct an advisory vote on the compensation of the named executive officers;
- To approve an amendment to the Strategic Education, Inc. 2018 Equity Compensation Plan to increase the number of shares available for issuance; and
- To consider any other matters that may properly come before the meeting.

This booklet includes the formal notice of the meeting and proxy statement. The proxy statement tells you about the agenda and procedures for the meeting. Importantly, it also describes how your Board of Directors operates, gives information about director candidates, and provides information about the Company, including our compensation practices.

Your vote is important. We encourage you to cast your vote over the Internet, by telephone, or by completing and returning the enclosed proxy card before the meeting so that your shares will be represented and voted at the meeting even if you cannot attend the virtual meeting.

We look forward to having you attend the virtual 2025 Annual Meeting of Stockholders.

Sincerely,

ROBERT S. SILBERMAN
Chairman of the Board

March 10, 2025
Attachment: Financial Summary

FINANCIAL SUMMARY

While all of our historical financial reports and SEC filings are available online, we know it is also helpful to owners to have basic financial and operating data at hand as they analyze material in the proxy statement. Below is selected financial data for the five years ended December 31, 2024. The financial summary provides key information on revenues, expenses, income, diluted earnings per share, and balance sheet strength, with dollar amounts in thousands, except per share data.⁽¹⁾

	2020	2021	2022	2023	2024
Revenues	\$1,027,653	\$1,131,686	\$1,065,480	\$1,132,924	\$1,219,930
Adjusted revenues ^(a)	\$1,004,272	\$1,135,332	\$1,065,480	\$1,132,924	\$1,219,930
Expenses	\$ 918,269	\$1,057,774	\$ 994,720	\$1,037,603	\$1,064,302
Adjusted expenses ^(a)	\$ 791,749	\$ 969,606	\$ 977,138	\$1,008,346	\$1,062,654
Income from operations	\$ 109,384	\$ 73,912	\$ 70,760	\$ 95,321	\$ 155,628
Adjusted income from operations ^(a)	\$ 212,523	\$ 165,726	\$ 88,342	\$ 124,578	\$ 157,276
Net income	\$ 86,268	\$ 55,087	\$ 46,670	\$ 69,791	\$ 112,684
Adjusted net income ^(a)	\$ 154,775	\$ 116,626	\$ 60,254	\$ 89,085	\$ 117,676
Diluted earnings per share	\$ 3.77	\$ 2.28	\$ 1.94	\$ 2.91	\$ 4.67
Adjusted diluted earnings per share ^(a)	\$ 7.03	\$ 4.83	\$ 2.51	\$ 3.72	\$ 4.87
Cash, cash equivalents and marketable securities	\$ 225,336	\$ 298,796	\$ 235,946	\$ 208,692	\$ 199,004
Total assets	\$2,295,807	\$2,305,880	\$2,161,747	\$2,125,213	\$2,049,735
Long-term debt	\$ 141,823	\$ 141,630	\$ 101,396	\$ 61,400	\$ —
Total liabilities	\$ 547,488	\$ 591,890	\$ 525,957	\$ 472,695	\$ 387,236
Total stockholders' equity	\$1,748,319	\$1,713,990	\$1,635,790	\$1,652,518	\$1,662,499

(a) Represent non-GAAP financial measures which allow for period-over-period comparisons of the Company's ongoing operations before the impact of certain items. Please see Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the SEC on February 27, 2023 for non-GAAP reconciliations of amounts for 2020 and 2021 and please see Item 7 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on February 27, 2025 for non-GAAP reconciliations of amounts for 2022, 2023, and 2024. Amounts for 2020 are further adjusted in order to evaluate non-equity incentive compensation to exclude the effects of our acquisition of Torrens University and associated assets in Australia and New Zealand discussed below, including our issuance of approximately 2.2 million shares of common stock in August 2020 to fund, in part, the cost of the ANZ acquisition. See Annex 1 for additional information.

Acquisition of Torrens University and Associated Assets in Australia and New Zealand

On November 3, 2020, the Company completed the acquisition of Torrens University and associated assets in Australia and New Zealand ("ANZ") from Laureate Education Inc., further diversifying the Company's portfolio and expanding operations internationally. ANZ includes Torrens University, Think Education, and Media Design School, which together provide diversified student curricula to approximately 19,000 students across five industry verticals, including business, hospitality, health, education, and

⁽¹⁾ The information set forth above is unaudited and has been derived from our consolidated financial statements and is qualified by reference to and should be read in conjunction with our consolidated financial statements and notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other information included in or incorporated by reference in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed with the SEC on February 27, 2025.

creative technology and design. The Company believes that ANZ represents an attractive portfolio of institutions with a similar focus on innovation, academic outcomes, improved affordability and career advancement as the Company. The Company also believes that ANZ provides an attractive platform for future growth, driven by Australia's position as an attractive education destination for international students.

Torrens University is the only federally recognized, investor funded university in Australia, offering undergraduate and graduate courses both online and on physical campuses. Think Education is a vocational registered training organization and accredited higher education provider in Australia, delivering educational programs through multiple colleges based at several campuses throughout Australia. Media Design School is a private tertiary institution delivering creative and technology design qualifications in New Zealand.

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

The 2025 Annual Meeting of Stockholders of Strategic Education, Inc. (the “Company”), will be held virtually via webcast **on Wednesday, April 23, 2025, at 8:00 a.m. (ET)** for the following purposes:

1. To elect thirteen directors to the Board of Directors from the nominees named in the attached proxy statement to serve for a term of one year or until their respective successors are elected and qualified.
2. To ratify the appointment of Deloitte & Touche LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2025.
3. To conduct an advisory vote on the compensation of the named executive officers.
4. To approve an amendment to the Strategic Education, Inc. 2018 Equity Compensation Plan to increase the number of shares available for issuance.
5. To consider and act upon such other business as may properly come before the meeting.

THIS NOTICE IS BEING SENT TO COMMON STOCKHOLDERS OF RECORD AS OF MARCH 3, 2025.

Voting Information — Attending the Annual Meeting Virtually.

Both stockholders of record and stockholders who hold their shares in “street name” will need to register to be able to attend the Annual Meeting by following the instructions below.

If you are a stockholder of record, you must:

- Register at <https://web.viewproxy.com/StrategicEducation/2025> by 11:59 p.m. (ET) on April 19, 2025. After registering, you will receive an email confirming your registration as well as the password to attend the Annual Meeting.
- On the day of the Annual Meeting, if you have properly registered, you may enter the Annual Meeting by logging in using the link and password you received via email in your registration confirmation.
- You will need the virtual control number included on your proxy card or notice of internet availability if you choose to vote during the virtual meeting.

If your shares are held in “street name,” you must:

- Register at <https://web.viewproxy.com/StrategicEducation/2025> by 11:59 p.m. (ET) on April 19, 2025. After registering, you will receive an email confirming your registration, as well as the password to attend the Annual Meeting.
- If you would like to vote shares electronically at the Annual Meeting, you will need to obtain a legal proxy from your broker, bank or other nominee and provide a copy of the legal proxy (which may be uploaded to the registration website or sent via email to VirtualMeeting@viewproxy.com) as part of the registration process. After registering, you will receive a virtual control number in the email confirming your registration. Please note that if you do not provide a copy of the legal proxy, you may still attend the Annual Meeting, but you will not be able to vote shares electronically at the Annual Meeting.
- On the day of the Annual Meeting, if you have properly registered, you may enter the Annual Meeting by logging in using the link and password you received via email in your registration confirmation.

Voting Information — Voting at the Annual Meeting Virtually.

Whether or not you intend to attend the virtual meeting, we encourage you to cast your vote over the Internet, by telephone, or by completing and returning the previously distributed proxy card before the meeting so that your shares will be represented and voted at the meeting even if you cannot attend the virtual meeting. If you wish to vote your shares electronically at the Annual Meeting, you will need to visit www.AALvote.com/STRA during the meeting and registered holders will need the virtual control number included on the proxy card or notice of internet availability, and for shares held in street name you will need the virtual control number assigned in the registration confirmation email.

In our desire to ensure that the virtual meeting provides stockholders with a meaningful opportunity to participate, our stockholders will be able to ask questions of the Company's Board of Directors and management both at the time of registration and during the Annual Meeting. Stockholders may submit questions during the Annual Meeting by typing them in the question/chat section of the meeting screen. Questions relevant to meeting matters will be answered during the Annual Meeting, subject to time constraints and in accordance with the rules of conduct which will be posted on our Investor Relations page at www.strategiceducation.com. We will also post on our Investor Relations page responses to questions relevant to meeting matters that are not answered during the Annual Meeting due to time constraints.

We will have technicians available to assist you with any technical difficulties you may have accessing the Annual Meeting live audio webcast. Please be sure to check in by 7:30 a.m. (ET) on **April 23, 2025**, the day of the Annual Meeting, so we may address any technical difficulties before the Annual Meeting live audio webcast begins. If you encounter any difficulties accessing the Annual Meeting live audio webcast during the check-in or meeting time, please email Virtualmeeting@viewproxy.com or call 866-612-8937.

By Order of the Board of Directors

Lizette B. Herraiz
Secretary

Herndon, Virginia
March 10, 2025

STRATEGIC EDUCATION, INC.
2303 Dulles Station Boulevard
Herndon, VA 20171
(703) 561-1600

PROXY STATEMENT
Annual Meeting of Stockholders
April 23, 2025

This proxy statement is being furnished to holders of the common stock of Strategic Education, Inc. (the “Company”), 2303 Dulles Station Boulevard, Herndon, Virginia 20171, in connection with the solicitation on behalf of the Board of Directors of the Company (the “Board”) of proxies to be voted at the 2025 Annual Meeting of Stockholders (the “Annual Meeting”). The Annual Meeting will be held at 8:00 a.m. (ET) on Wednesday, April 23, 2025, via webcast.

The cost of soliciting proxies will be borne by the Company. Copies of solicitation material may be furnished to brokers, custodians, nominees and other fiduciaries for forwarding to beneficial owners of shares of the Company’s common stock, and normal handling charges may be paid for such forwarding service. Solicitation of proxies may be made by the Company by mail or by personal interview, telephone and facsimile by directors, officers and other management employees of the Company, who will receive no additional compensation for their services. The Company has also retained Alliance Advisors, LLC to provide proxy solicitation services for a fee of approximately \$16,000 plus reimbursement of its out-of-pocket expenses.

Any stockholder submitting a proxy pursuant to this solicitation may revoke it at any time prior to the Annual Meeting by giving written notice of such revocation to the Secretary of the Company at the Company’s headquarters at 2303 Dulles Station Blvd., Herndon, Virginia 20171, providing a later dated proxy, or by attending the virtual meeting and voting virtually. **Attending the Annual Meeting virtually will not automatically revoke a stockholder’s prior proxy.**

We began making this proxy statement, the Notice of Annual Meeting of Stockholders and the enclosed proxy card available on or about March 10, 2025 to all stockholders entitled to vote. At the close of business on March 3, 2025, the record date for the Annual Meeting, there were 24,654,185 shares of the Company’s common stock outstanding and entitled to vote at the meeting. **Only common stockholders of record on March 3, 2025 will be entitled to vote**, and each share will have one vote.

Voting Information

Alliance Advisors, LLC has been engaged as our independent agent to receive and tabulate votes at the Annual Meeting. A majority of the shares entitled to vote will constitute a quorum for purposes of the Annual Meeting. Under the Company’s Bylaws, to be elected at the Annual Meeting, a nominee for election to the Board of Directors (Proposal 1) must receive a majority of the votes cast for his or her election at the Annual Meeting. Ratification of the appointment of the Company’s independent registered public accounting firm (Proposal 2), approval of the advisory vote on the compensation of our named executive officers (Proposal 3), approval of the amendment to the Strategic Education, Inc. 2018 Equity Compensation Plan (Proposal 4), and approval of any other business which may properly come before the Annual Meeting, or any adjournments thereof, will require the affirmative vote of a majority of the votes cast at the Annual Meeting. Abstentions and broker non-votes will have no effect on the outcome of any matter at the Annual Meeting, including the election of directors. Proposals 2 and 3 are advisory only, and as discussed in more detail below, the voting results are not binding, although the Board of Directors will consider the results of such proposals.

You may cast your vote over the Internet, by telephone, or by completing and returning the enclosed proxy card. Proxies properly executed and received by the Company prior to the meeting and not revoked will be voted as directed therein on all matters presented at the meeting. In the absence of specific direction from a stockholder, proxies will be voted for the election of all named director nominees, and in favor of Proposals 2, 3, and 4. If a proxy indicates that all or a portion of the shares represented by such proxy are not being voted with respect to a particular proposal, such non-voted shares will not be considered present

and entitled to vote on such proposal, although such shares may be considered present and entitled to vote on other proposals and will count for the purpose of determining the presence of a quorum.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS
FOR THE STOCKHOLDERS MEETING TO BE HELD ON APRIL 23, 2025**

The Notice of Annual Meeting, Proxy Statement and Annual Report are available free of charge at <https://web.viewproxy.com/StrategicEducation/2025>.

PROPOSAL 1

Election of Directors

We are requesting that the stockholders elect thirteen members to the Board of Directors at the Annual Meeting to serve until the 2026 Annual Meeting.

The Board of Directors has adopted a Majority Vote Policy for director elections. Under this policy, in the case of uncontested elections, each director is elected by a majority of the votes cast with respect to the director. Any director who fails to receive the requisite majority vote would be required to promptly offer his or her resignation and the Board, following the recommendation of the Nominating and Corporate Governance Committee (the “Nominating Committee”), would have up to 90 days to decide whether to accept such offer, during which time the director nominee would continue to serve on the Board as a “holdover” director. A copy of this policy is available on our website at www.strategiceducation.com.

The Nominating Committee regularly performs an assessment of the skills, experience and perspectives needed on the Board to properly oversee management and protect the interests of long-term stockholders. To that end, the Nominating Committee reviews both the short- and long-term strategies of the Company to determine what current and future skills, experience and perspectives are required of the Board as a whole to appropriately exercise its oversight function. As part of its thoughtful Board refreshment and succession plan, the Nominating Committee also seeks to maintain an appropriate mix of short-, medium- and long-term directors to ensure that there is a balance between institutional knowledge and fresh perspectives. To achieve this balance, seven new independent directors have been appointed to the Board in the last seven years.

The Nominating Committee considers many factors when evaluating candidates for the Board. The most important are true independence, business savvy, a stockholder orientation, and genuine interest in the Company. By true independence we mean the willingness to challenge a forceful, talented CEO and management team even against the backdrop of their excellent track record. Candidates with this trait are both very valuable and hard to find — they are invariably of the highest character and integrity. Commercial or business savvy is also crucial — the combination of these is critical to ensure independent oversight of management. The Nominating Committee strives for the Board to be comprised of directors with a diversity of experience, expertise, and personal backgrounds. The Nominating Committee considers each prospective director’s skills, specialized expertise, level of education, business experience, broad-based business acumen, experience at strategy development and policy-setting, and direct ownership of the Company’s shares.

The Nominating Committee also focuses on the prospective director’s understanding that maintaining the high academic quality of the educational programs offered by the Company’s subsidiaries, including two U.S.-based accredited institutions, Strayer University and Capella University, as well as the Company’s more recently acquired Australia-based Torrens University, is central to maintaining and growing the Company’s value. It is perhaps obvious, though worth noting, that the criteria for service on the Boards of Trustees of Strayer University and Capella University, and on the Board of Directors of Torrens University, while sharing some of the same criteria as the Company’s Board, are different, and that it is important to have some individuals who can serve on both the Company’s Board and a university board effectively. Depending upon the current needs of the Board, certain factors may be weighed more or less heavily by the Nominating Committee.

In considering candidates for the Board, the Nominating Committee considers the entirety of each candidate’s credentials and does not have any specific minimum qualifications that must be met. However, the Nominating Committee does believe that all members of the Board should have the highest character and integrity; a track record of working constructively with others; sufficient time to devote to Board matters; and no conflict of interest that would interfere with performance as a director. In addition, the Nominating Committee believes that the ability of individual Board members to work constructively together is a key element of Board effectiveness. The outcome of our director nomination process is a suite of directors who contribute varied expertise and experience, as well as diversity of experience, backgrounds, and perspectives.

The Nominating Committee will consider recommendations from common stockholders that are submitted in writing to the Company, provided that such common stockholders (i) beneficially own more

than 5% of the Company's common stock or (ii) have beneficially owned more than 1% of the Company's common stock for at least one year. Stockholders meeting such criteria may recommend candidates for consideration by the Nominating Committee by writing to Ms. Lizette B. Herraiz, Corporate Secretary, Strategic Education, Inc., 2303 Dulles Station Blvd., Herndon, Virginia 20171, giving the candidate's name, contact information, biographical data and qualifications, as well as any evidence that the stockholder satisfies the criteria set forth above. On an annual basis the Board solicits its largest and longest-holding stockholders for recommendations on nominees to serve on the Board. All such recommendations will be treated confidentially and brought to the attention of the Nominating Committee in a timely fashion. The Nominating Committee does not evaluate candidates differently based on who has made the proposal or recommendation.

Once it has been determined that a candidate meets the Board's initial criteria, there is a selection process which may include, but not be limited to, background and reference checks and interviews with not only the Nominating Committee but other Board members, executive management and other professionals such as the Company's auditors or outside counsel, as deemed necessary. Stockholders who wish to formally nominate a director for election at an annual meeting of the stockholders of the Company must also comply with the Company's Bylaws regarding stockholder proposals and nominations. See "Stockholder Proposals and Nominations" contained in this proxy statement.

The Board of Directors recommends that stockholders vote “For” the nominees listed below. The following table and text presents information as of the date of this proxy statement concerning persons nominated for election as directors of the Company.

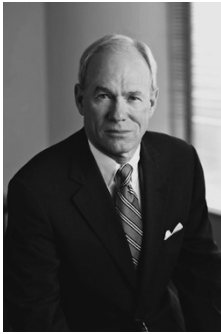
Nominees for Directors

<u>Name/Title</u>	<u>Age</u>	<u>Board Committees</u>	<u>Independent Director/ Nominee</u>	<u>Year first elected to Strategic Board</u>
Robert S. Silberman , Chairman	67	—		2001
Viet D. Dinh , ^(a) Director	57	Nominating (Chair)	✓	2023
Dr. Charlotte F. Beason , Director	77	Nominating	✓	1996
Rita D. Brogley , Director	59	Compensation (Chair)	✓	2018
Gregory W. Cappelli , ^(b) Nominee for Director	57	—	✓	N/A
Robert R. Grusky , Director	67	Nominating	✓	2001
Jerry L. Johnson , Director	54	Audit*	✓	2021
Karl McDonnell , Chief Executive Officer & Director	59	—		2011
Dr. Michael A. McRobbie , Director	74	Compensation	✓	2021
William J. Slocum , Director	47	Audit*, Compensation	✓	2021
Dr. Benjamin E. Sasse , Director	53	Nominating	✓	2024
Michael J. Thawley , Director	74	Audit	✓	2022
G. Thomas Waite, III , Director	73	Audit (Chair)*	✓	1996

(a) Mr. Dinh is presently serving as the Board’s Presiding Lead Independent Director.

(b) Mr. Cappelli was identified as a candidate by the Chairman, and unanimously recommended by the Nominating Committee of the Board of Directors. The Board of Directors unanimously approved his nomination for election at the Annual Meeting.

* Audit Committee Financial Expert as defined by SEC rules, based on their education, experience, and background.



Mr. Robert S. Silberman has been a Director of the Company since March 2001 and serves as Chairman of the Board. He previously served as Executive Chairman of the Board from 2013 to 2023 and as Chairman of the Board from February 2003 to 2013. He was the Company's Chief Executive Officer from March 2001 to 2013. From 1995 to 2000, Mr. Silberman served in a variety of senior management positions at CalEnergy Company, Inc., including as President and Chief Operating Officer. From 1993 to 1995, Mr. Silberman was Assistant to the Chairman and Chief Executive Officer of International Paper Company. From 1989 to 1993, Mr. Silberman served in several senior positions in the U.S. Department of Defense, including as Assistant Secretary of the Army. He serves as Chairman of the Board of Directors of Par Pacific Holdings, Inc., and served on the Board of Directors of Twenty-First Century Fox, Inc. from 2013 to 2019 and as Lead Director of the Board of Covanta Holding Company from 2016 to 2021. He is a member of the Council on Foreign Relations. Mr. Silberman holds a bachelor's degree in history from Dartmouth College and a master's degree in international policy from The Johns Hopkins University.

Mr. Silberman has been a driving force behind the growth of the Company. He leads the Board with a deep appreciation of the Company's history, a focused strategic vision for its future, and a broad understanding of the economic, regulatory, and demographic factors affecting the Company. The Nominating Committee believes that based on his experience and expertise in business management, leadership of large organizations, financial management, public policy, governmental affairs, academic policy, educational leadership, and stewardship of stockholder capital, Mr. Silberman should serve as a director of the Company.



Mr. Viet D. Dinh has served as Special Advisor to Fox Corporation since January 2024. He previously served as Chief Legal and Policy Officer of Fox Corporation, where he led all legal, regulatory and government affairs functions, from September 2018 to December 2023. Before that, Mr. Dinh was a partner at two leading law firms, Kirkland & Ellis LLP and Bancroft PLLC, the latter of which he founded. Between 2009 and 2018, while in private practice, he also served as outside general counsel to the Company. Mr. Dinh was a professor at Georgetown University Law Center for 20 years, and was appointed U.S. Assistant Attorney General for Legal Policy from 2001 to 2003. He previously served on the Boards of several public companies, including Twenty-First Century Fox, Inc., Revlon, Inc., LPL Financial Holdings, Inc., and Scientific Games Corporation (now known as Light & Wonder, Inc.). Mr. Dinh was born in Saigon, Vietnam and holds a bachelor's degree in government and economics from Harvard College and a juris doctor from Harvard Law School. Mr. Dinh joined the Board in September 2023. Mr. Dinh is Chair of the Nominating Committee and presently serves as the Presiding Lead Independent Director. The Nominating Committee believes that Mr. Dinh's broad and deep legal expertise, commercial experience, and his familiarity with the Company and its business, are of great value to the Board and that he therefore should serve as a director of the Company.



Dr. Charlotte F. Beason is a consultant in education and health care administration. She was Executive Director of the Kentucky Board of Nursing from 2005 to 2012. From 2000 to 2003, Dr. Beason was Chair and Vice Chair of the Commission on Collegiate Nursing Education (an autonomous agency accrediting baccalaureate and graduate programs in nursing). From 1988 to 2004, Dr. Beason was with the Department of Veterans Affairs, first as Director of Health Professions Education Service and the Health Professional Scholarship Program, and then as Program Director, Office of Nursing Services. Dr. Beason has served on our Board since 1996 and is a member of the Nominating Committee. She is also Chairwoman of the Strayer University Board of Trustees. Dr. Beason holds a bachelor's degree in nursing from Berea College, a master's degree in psychiatric nursing from Boston University and a doctorate in clinical psychology and public practice from Harvard University. Dr. Beason's record of leadership in education, accreditation, and public administration provides the Board with insight and experience in building and maintaining the quality of Strayer University. The Nominating Committee believes that based on her experience and expertise in academic matters, educational policy, organizational administration, and governmental affairs, Dr. Beason should serve as a director of the Company.



Ms. Rita D. Brogley is a technology executive, entrepreneur, and consultant with experience spanning both early stage and public companies. From 2016 to 2019, Ms. Brogley was the Head of Product Growth and Global Enterprise Partnerships for Facebook's Messaging Platforms, where her team played a pivotal role in building and bringing WhatsApp for Business to market. Prior to Facebook, Ms. Brogley was the President and CEO of MyBuys, a marketing technology company, and the CEO of Amadesa, a technology provider of website testing and optimization software for ecommerce companies. From 2000 to 2002, she served as the President and CEO of Moxi Digital, a digital home software and hardware company. Ms. Brogley also served as Director of Business Development and Marketing Europe for Microsoft and was a strategy and management consultant with Bain and Company. Ms. Brogley presently serves on the Board of Trinity Health, a healthcare system with headquarters in Michigan, and is the Chair of its Audit Committee. Ms. Brogley served on the Board of Capella Education Company from 2014 until her appointment to the Board of Strategic Education, Inc. on August 1, 2018. She is the Chair of the Compensation Committee of the Board. Ms. Brogley holds a bachelor's degree in industrial engineering from Northwestern University and an MBA from the Harvard Business School. The Nominating Committee believes that based on her experience as an executive and entrepreneur in both early-stage and public companies, as well as her vast knowledge of strategy, business development, technology and analytics, Ms. Brogley should serve as a director of the Company.



Mr. Gregory W. Cappelli has served as the CEO of Vanta Global, a private equity company making investments in the education, training and human capital industry, since 2022. Mr. Cappelli previously served as Chief Executive Officer of Apollo Education Group (AEG), a multi-billion dollar publicly traded global education and training company serving over a million university graduates, from 2009 to 2017. During his decade-plus tenure, Mr. Cappelli led the initiative to found Apollo Global Education, a billion-dollar joint venture with the Carlyle Group of which he was Executive Chairman from 2008-2021. Prior to AEG, Mr. Cappelli spent over a decade as a Managing Director with Credit Suisse, where he served as a Senior Equity Research Analyst and founded the Credit Suisse Global Services Group. Prior to Credit Suisse, he held the position of Senior Equity Research Analyst at ABN AMRO Securities. Mr. Cappelli received his BA in Economics from Indiana University where he also studied Piano Performance and performed regularly in various musical concerts. He received his MBA in finance from the Brennan School of Business at Dominican University where he served on the Board for nine years. Mr. Cappelli serves on the National Board of Governors of the Boys and Girls Clubs of America, where he also serves as Chairman of the Midwest Region. He is the Chairman of the American Academy of Public Coders and also serves on the board of Qmodo AI. Mr. Cappelli is a member of the Wall Street Journal CEO Council and the Milken Global Institute. The Nominating Committee believes that based on his extensive experience and expertise in leadership of large organizations, investment, and higher education, Mr. Cappelli should serve as a director of the Company.



Mr. Robert R. Grusky is the Founder and has been the Managing Member of Hope Capital Management, LLC, an investment manager, since 2000. He co-founded New Mountain Capital, LLC, a private equity firm, in 2000, was a Principal and Member from 2000 to 2005, and a Senior Advisor from 2005 to 2019, and has served as a member of the Executive Leadership Council since then. From 1998 to 2000, Mr. Grusky served as President of RSL Investments Corporation. From 1985 to 1997, with the exception of 1990 to 1991 when he was on a leave of absence to serve as a White House Fellow and Assistant for Special Projects to the Secretary of Defense, Mr. Grusky served in a variety of capacities at Goldman, Sachs & Co., first in its Mergers & Acquisitions Department and then in its Principal Investment Area. He also serves on the Board of Directors of AutoNation, Inc. Mr. Grusky has served on our Board since 2001, and is on the Nominating Committee. He holds a bachelor's degree in history from Union College and an MBA from Harvard Business School. The Nominating Committee believes that Mr. Grusky's owner orientation, understanding of the financial markets and his extensive experience as an investment manager and executive are tremendous assets to the Board and that he should serve as a director of the Company.



Mr. Jerry L. Johnson currently serves as a Partner at the Halifax Group, a private investment company, and has worked with Halifax Group as an Operating Executive since 2020. Mr. Johnson was previously Senior Vice President of Strategy, Corporate Development and Investor Relations at EnPro Industries, a manufacturer of proprietary engineered products. Mr. Johnson is a founding member and previously served as a Partner at RLJ Equity Partners since 2007. His career also includes service as a White House Fellow, and as a management consultant at McKinsey & Company. Mr. Johnson previously served on the Board of Directors of Command Security Corporation from 2017 through February of 2019. Mr. Johnson graduated from the University of Tennessee with a bachelor's degree in chemical engineering, holds an MBA from Harvard Business School, and serves on The Council of Foreign Relations. Mr. Johnson has served on our Board since January 2021, and serves on the Audit Committee. The Nominating Committee believes that based on his experience in finance, corporate development, investment, and general management, Mr. Johnson should serve as a director of the Company.



Mr. Karl McDonnell was named Chief Executive Officer of the Company in May 2013, and served as President and Chief Operating Officer from 2006 to 2013. Prior to joining the Company, Mr. McDonnell served as Chief Operating Officer of InteliStaf Healthcare, Inc., one of the nation's largest privately-held healthcare staffing firms. Prior to his tenure at InteliStaf, he served as Vice President of the Investment Banking Division at Goldman, Sachs & Co. Mr. McDonnell has held senior management positions with several Fortune 100 companies, including The Walt Disney Company. Mr. McDonnell has served on the Board since 2011. Mr. McDonnell holds a bachelor's degree from Virginia Wesleyan College and a master's degree in business administration from Duke University. The Nominating Committee believes that based on his experience and expertise in general management, leadership of large organizations, financial management and human capital development, Mr. McDonnell should serve as a director of the Company.



Dr. Michael A. McRobbie serves as University Chancellor, President Emeritus, and University Professor at Indiana University (IU). He previously served as the 18th President of IU, one of the largest universities in the U.S., from July 1, 2007 until his retirement on June 30, 2021. Dr. McRobbie served as a vice chair of the board of directors of Indiana University Health System until his retirement from IU. A native of Australia, Dr. McRobbie holds a bachelor of arts degree with first class honors from the University of Queensland, and a Ph.D. from Australian National University. Dr. McRobbie joined the Board in July of 2021 and serves on the Compensation Committee. Dr. McRobbie also serves on the Board of Directors of Torrens University of Australia. The Nominating Committee believes that based on his experience and expertise in higher education and with education policy, as well as his familiarity with the Australian education and political system, Dr. McRobbie should serve as a director of the Company.



Dr. Benjamin E. Sasse has served as President Emeritus of the University of Florida in Gainesville, Florida, and professor at the University's Hamilton Center, since August 2024. He previously served as President of the University of Florida from February 2023 to July 2024 and as President of Midland University in Fremont, Nebraska from 2010 to 2014. He has taught at Yale University, the University of Texas, and Midland University. In addition to his academic career, Dr. Sasse has served in several policymaking roles in the United States government, including in the Department of Health and Human Services and the Office of Legal Policy in the Department of Justice, and he served in the United States Senate from January 2015 to January 2023. Dr. Sasse is a two-time *New York Times* national best-selling author. Dr. Sasse earned a bachelor's degree in government from Harvard University, a Master of Arts in liberal studies from St. John's College, and master's and doctoral degrees in American history from Yale University. Dr. Sasse was elected to the Board in April 2024, and serves on the Nominating Committee. The Nominating Committee believes that based on his extensive experience and expertise in higher education as well as his experience in public policy at the highest levels of government, Dr. Sasse should serve as a director of the Company.



Mr. William J. Slocum is a managing partner and founder of Presidio Gate Capital, an investment manager founded in 2024 and focused on strategic-block investing in the public- and private-equity markets. Previously, Mr. Slocum was an investment partner at Inclusive Capital Partners, from its founding in 2020 until 2024. From 2022 to 2024, he served on the Board of Directors at Ingevity Corporation, including roles on the Sustainability and Safety Committee, as well as the Audit Committee. Prior to Inclusive Capital Partners, he was a portfolio manager at Golden Gate Capital, which he joined in 2011. Mr. Slocum led public-equity investments for the Golden Gate Capital Opportunity Fund and for the Emerald Gate Equities Portfolio, employing a concentrated, long-term approach across the firm's industry verticals. In addition to his portfolio management role, he served on Golden Gate Capital's private-equity investment review committee, and on the Board of Managers of Williston Financial Group, a title insurance and real-estate technology company licensed in 49 states. Prior to joining Golden Gate Capital, Mr. Slocum worked as a vice president at ValueAct Capital Management and Parthenon Capital after starting his career in strategy consulting at Bain & Company. Mr. Slocum was elected to the Board in April of 2021, and serves on the Audit Committee and the Compensation Committee. Mr. Slocum earned a BA in economics and graduated magna cum laude from Williams College, where he was inducted into Phi Beta Kappa, and he earned an MBA, with distinction, from Harvard Business School. The Nominating Committee believes that based on his experience as a portfolio manager, investor, board director and strategy consultant, Mr. Slocum should serve as a director of the Company.



Mr. Michael J. Thawley most recently served as Vice Chairman of Capital Group International, part of Capital Group Companies, which is a fund management company with over \$2 trillion under active management, having retired from that position on August 31, 2022. He continued to serve as Vice Chairman of Capital International Fund until his retirement from that position in 2023. He previously held several senior positions in the Australian government, including Secretary of the Department of the Prime Minister and Cabinet from 2014 through 2016. He served as Australia’s ambassador to the United States from 2000 to 2005. Mr. Thawley entered the Australian foreign service in 1972 and served at embassies throughout the world. Mr. Thawley was born in London and was educated at Australian National University and Surrey University. He was appointed an officer in the Order of Australia in 2006 for services advancing Australia’s strategic and economic interests. He has served on the Board since September 2022 and serves on the Audit Committee. Mr. Thawley was elected to the Board of Directors of Torrens University in December 2023, and in February 2025, he was appointed Chancellor of Torrens University. The Nominating Committee believes that based on his experience at high levels of government, his experience with financial management and general management, his understanding of the perspectives of institutional investors, his business acumen, and his familiarity with the Australian political system, Mr. Thawley should serve as a director of the Company.



Mr. G. Thomas Waite, III, now retired, was the Treasurer and Chief Financial Officer of the Humane Society of the United States, a global animal protection organization, from 1997 until January 2020. He was employed as Controller of the Society beginning in 1993. Prior to this, he served 14 years as controller and asset manager with local real estate firms in the Washington Metropolitan Area, before joining the National Housing Partnership as Director of Commercial Management in 1992. Prior to this, he was engaged in the practice of public accounting with Main LaFrentz & Company (formerly affiliated with, and subsequently merged into, KPMG). Mr. Waite has served on the Board since 1996, is Chair of the Audit Committee and is a former member of the Strayer University Board of Trustees. He holds a bachelor’s degree in commerce (accounting concentration) from the University of Virginia and is a Certified Public Accountant, and a Chartered Global Management Accountant. Mr. Waite’s leadership in the philanthropy and nonprofit sector is indispensable in helping the Company fulfill its mission of providing quality education to working adults. His experience as a chief financial officer and public accountant brings to the Board a seasoned voice in matters of accounting and governance that is a tremendous asset to the Board and the committees on which he serves. The Nominating Committee believes that based on his experience and expertise in financial matters, accounting and audit, and educational management, Mr. Waite should serve as a director of the Company.

Director Compensation

The Company’s director compensation program is designed to:

- Align the interests of the Company’s directors with long-term stockholder interests;
- Ensure the Company can attract and retain outstanding director candidates who meet the criteria outlined in this proxy statement;
- Recognize the time commitments necessary to oversee the Company; and
- Support the independence of thought required for a director to oversee the creation of sustainable stockholder value.

The Nominating Committee reviews non-employee director compensation regularly and the resulting recommendations are presented to the full Board for discussion and approval. Current director compensation is as follows:

- Annual Retainer. Since April 2021, each eligible director is paid an annual fee of \$200,000. At least 60% (or \$120,000) of the annual fee must be paid in shares of restricted stock of the Company to ensure the alignment of the interests of directors with those of long-term stockholders. Restricted stock is issued to directors on the date of the annual meeting as part of their annual retainer. The restricted shares vest over three years, with one-third of the shares vesting on each anniversary of the grant date. Directors may choose to receive the remaining 40% of their annual retainer (\$80,000) in either restricted stock or in cash, paid in quarterly installments. In the event any director retires or resigns from the Board, the Board of Directors may, in its discretion, waive the remaining vesting period(s) for all or any portion of unvested restricted shares, provided that the departing director has served at least five years on the Board.
- Additional Fees. The Presiding Lead Independent Director receives an additional annual fee of \$10,000. The Audit Committee Chair receives an additional annual fee of \$15,000, and the Nominating Committee and Compensation Committee Chairs receive an additional annual fee of \$10,000 each. Members of the Audit Committee receive an additional annual fee of \$5,000. The Board may also approve additional fees for other board-related service.
- Reimbursement of Expenses. Directors are reimbursed for out-of-pocket expenses incurred in connection with their attendance at Board and Committee meetings.

As described above, a significant portion of director compensation is paid in restricted stock to align director compensation with the long-term interests of stockholders. While on the Board, non-employee directors receive the same cash dividends on restricted shares as a holder of common stock should they be declared and paid in the future.

The following table sets forth compensation for each non-employee director for the fiscal year ended December 31, 2024. Messrs. Silberman and McDonnell do not receive any additional compensation for their service as directors of the Company. Information regarding the compensation for Messrs. Silberman and McDonnell is reflected in the “Summary Compensation Table” set forth below in this proxy statement.

Director Compensation Table

Name ^(a)	Fees Earned or Paid in Cash (\$) ^(b)	Stock Awards (\$) ^(c)	All Other Compensation (\$) ^(d)	Total (\$)
Viet D. Dinh ^{(e)(f)}	10,000	200,000	—	210,000
Dr. Charlotte F. Beason	80,000	120,000	—	200,000
Rita D. Brogley	90,000	120,000	—	210,000
Dr. John T. Casteen, III ^(g)	90,000	120,000	—	210,000
Robert R. Grusky	80,000	120,000	—	200,000
Jerry L. Johnson	85,000	120,000	—	205,000
Dr. Michael A. McRobbie	80,000	120,000	50,000	250,000
Dr. Benjamin E. Sasse	60,000	120,000	—	180,000
William J. Slocum	85,000	120,000	—	205,000
Michael J. Thawley	82,500	120,000	50,000	252,500
G. Thomas Waite, III	95,000	120,000	—	215,000

- (a) Mr. Cappelli has been nominated for election at the Annual Meeting, and thus did not receive any compensation in 2024.
- (b) Amounts represent the cash paid to each Director for the portion of the year that he or she served in a position, such as a committee position or as Presiding Lead Independent Director, that receives additional compensation.
- (c) Amounts represent the aggregate grant date fair value determined based on the closing price of the Company’s common stock on the grant date in accordance with FASB ASC Topic 718.
- (d) Dr. McRobbie and Mr. Thawley serve on the Board of Directors of Torrens University and related entities at the request of the Company. Given the additional time commitment related to serving on Boards for our Australia and New Zealand (“ANZ”) entities, Dr. McRobbie and Mr. Thawley each receive an additional \$50,000 per year (\$12,500 quarterly) in cash fees.
- (e) Mr. Dinh is presently serving as the Board’s Presiding Lead Independent Director.
- (f) Mr. Dinh’s cash fees relate to his service as the Board’s Presiding Independent Director and Chair of the Nominating Committee. Mr. Dinh elected to receive the cash retainer portion of his director fees in equity.
- (g) Dr. Casteen has not been nominated for re-election at the 2025 Annual Meeting of Stockholders.

The following table sets forth the number of outstanding stock awards held by each non-employee director at December 31, 2024.

Outstanding Stock Awards Table

Name	Shares of Unvested Restricted Stock (#)
Viet D. Dinh	3,096
Dr. Charlotte F. Beason	2,631
Rita D. Brogley	2,631
Dr. John T. Casteen, III ^(a)	2,631
Robert R. Grusky	2,631
Jerry L. Johnson	2,631
Dr. Michael A. McRobbie	2,631
Dr. Benjamin E. Sasse	1,193
William J. Slocum	2,631
Michael J. Thawley	2,432
G. Thomas Waite, III	2,631

(a) Dr. Casteen has not been nominated for re-election at the 2025 Annual Meeting of Stockholders.

Board Leadership Structure

Our Board regularly reviews its leadership structure and evaluates whether any change to the structure is warranted. The leadership structure of the Company has varied over time as the demands of the business, the composition of the Board, and the ranks of our senior executives have changed, and the Board has utilized this flexibility to establish the most appropriate structure at any given time. At present, our Board is comprised of eleven independent directors, as independence is defined under the Nasdaq Listing Standards, along with our Chairman and our Chief Executive Officer (“CEO”), with the Board determining that the interests of stockholders are best served by operating with the Chair of the Board remaining separate from the Chief Executive Officer.

In line with our Corporate Governance Principles, Mr. Dinh, an independent director, was elected by the Board to serve as the Presiding Lead Independent Director in April 2024. As Presiding Lead Independent Director he presides at meetings of the Board of Directors with only independent directors, i.e., without the Chairman and the CEO present, at least quarterly (at each regularly scheduled Board meeting) and solicits candid feedback on the Chairman’s and the CEO’s performance. The Presiding Lead Independent Director serves as the principal liaison on Board issues between the independent directors and the Chairman and has the authority to:

- Call meetings of the independent directors,
- Approve information provided to the Board to ensure its quality and quantity, and
- Consult and communicate with stockholders.

Stockholder Outreach

The Board of Directors is committed to stockholder outreach and values feedback received from our stockholders. Throughout 2024, the Company continued its practice of year-round stockholder engagement. This engagement helped us better understand stockholder perspectives on significant issues, including company performance and strategy, our compensation practices, and governance and other topics. We had substantial discussions with representatives from 40 different institutional investors, who collectively own approximately 8.3 million shares or 34% of the Company’s outstanding shares as of the record date. As

appropriate, independent directors, executive directors, and certain executives participated in these discussions. The feedback received during these conversations was conveyed to the Board and served as a key input to Board and Committee discussions and decisions.

In response to stockholder preference for an independent presiding director, the Board elected Mr. Dinh, an independent director with significant institutional knowledge, as Presiding Lead Independent Director in April 2024. Also, in line with stockholder preference for ensuring appropriate board composition and refreshment, Dr. Sasse was elected to the Board in April 2024, the seventh new independent director added to our Board in the last seven years.

Corporate Responsibility

The Company is committed to responsible business practices and sound governance practices. The Company continues to maintain a Corporate Responsibility page on its corporate website to highlight related information for easy reference by investors. This approach has resulted in positive stockholder feedback. This resource is available at <https://sei.strategiceducation.com/about/company-info/corporate-responsibility/default.aspx>. Nothing on our website, including our Corporate Responsibility page, shall be deemed incorporated by reference into this proxy statement.

Social Focus

Strategic Education's mission is to help its students improve their lives. No company could have a more real or important social focus. We are stewards of academic institutions which have demonstrated their success at that mission over decades. Our institutions provide the opportunity to earn post-secondary university degrees to students who otherwise may not have such opportunity. Our institutions focus on serving working adults and other populations which are underserved by traditional academia. Of the 107,000 students we educated world-wide in 2024, approximately 64% were older than age 31, 76% were female, and roughly half were ethnic minorities. Our track record of achievement in this area since our founding in 1892 is self-evident.

We believe that not just our students, but also their families and the communities they live in, are significantly benefited by our academic programs. However, in order to create the social benefit and economic mobility for our students, our academic degrees must both be, and be perceived to be, of high academic quality and rigor. To that end, all three of our universities hold the highest possible academic accreditation in their respective countries and jurisdictions.

In addition, since the students we serve generally do not have the level of family financial resources which students at traditional universities typically do (our students are more likely to be parents themselves than to have parents who are funding their tuition), we know that in addition to making our degrees academically rigorous, we must also make them financially affordable. Therefore, two of our social focuses are to first, reduce the cost of our tuition; and second, reduce the amount of debt our students incur to finance their tuition.

Using the most recent data available, we estimate that the average cost of tuition across our U.S. institutions has declined 18%, compared to an increase of 37% across the U.S., since the 2010-2011 academic year. In 2022-2023, the average cost of tuition and fees for one of our bachelor's degrees was \$42,700, compared to an estimated national average of \$70,800 in traditional academia. In 2021-2022, the average cost of tuition and fees for one of our master's degree was \$24,500, compared to an estimated national average of \$41,000. Our ongoing investments in technology and other productivity enhancements enable this remarkable track record of price discipline.

However, while holding down the absolute cost of our tuition is an important achievement, we also seek to lower the debt burden of our students by helping to shift the source of their educational funding away from government-issued debt towards employer-paid benefit programs. We do that through our Education Technology Services segment, which enters into agreements with employers on behalf of our students. The social benefit of this effort is evidenced by the declining level of average U.S. Title IV funding per earned credit in our U.S. institutions, which has declined 33% from \$520 in 2019 to \$350 in 2024.

We recognize that our employees are our most important asset. Further, as an education company, continuous learning is part of our DNA. In addition to providing high quality higher education programs through our universities, we recognize that these educational opportunities can be beneficial and of enormous value to our employees as well. The Company provides opportunities for eligible employees and dependents to attain and enhance their career goals through our Tuition Assistance Program, which provides generous financial support for undergraduate and graduate courses at Strayer University, Capella University, the Jack Welch Management Institute at Strayer University, and continuing education through Sophia Learning. The Company also provides tuition assistance for Torrens University to support its employees in Australia and New Zealand. In addition, the Company provides support for faculty members and employees seeking to enhance their skills and knowledge through professional development opportunities and continuing education. We focus on ensuring our employees maintain a healthy work-life balance, and a healthy living lifestyle. The Company invests in our employees by offering benefits that help them take care of themselves and their families. In addition to medical and financial savings benefits and tuition assistance mentioned above, the Company also provides generous paid time off, a wellness plan, paid parental and military leave, as well as giving back and volunteer time.

In summary, SEI exists to increase the upward economic mobility of an academically underserved population through education. By doing so we help to diminish income inequality and increase societal harmony and welfare. The company maintains an insights page on its corporate website to highlight case studies and other resources related to removing barriers to education and supporting adult students. This information is available at <https://sei.strategiceducation.com/about/company-info/Insights/default.aspx>.

Environmental Focus

The Company maintains physical locations to support our employees and students and is committed to managing our facilities in a way that reduces energy consumption, water usage, and waste generation.

- The Company continues to pursue its goal of reducing the size of its physical footprint, and reduced its overall real estate at the end of 2024 by more than 10% compared to the square footage occupied at the end of 2022, by implementing more efficient workspace design and eliminating underused campus facilities.
- Capella University and Strayer University offer robust online curriculums, with 100% of instruction delivered online at Capella University and the majority of instruction delivered online at Strayer University. This online curriculum gives students the ability to access and complete coursework online, reducing the need for physical space and commuting, which in turn reduces energy, water usage, and waste generation.
- Much of our workforce is accustomed to working remotely, again reducing the need for physical space and commuting, which in turn reduces energy, water usage, and waste generation.
- Our Minneapolis, Minnesota corporate office is located within a LEED Gold certified building (Leadership in Energy and Environmental Design), which is a U.S. Green Building Council certification.
- Our Herndon, Virginia corporate office is located in a building that is benchmarked within the ENERGY STAR program, which is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy focused on protecting the environment through energy efficient products and practices.
- Our Media Design School campus in Auckland, New Zealand is located in a 6 Star Green Star rated building, which represents leadership in environmentally sustainable building practices.
- The Company is investing in energy-saving interior design options, including updated lighting packages with more efficient LED lighting; occupancy sensors to reduce energy consumption in areas that are not being used; and programmable heating and cooling systems that will only run during operating hours.
- Within campus locations, many property management teams are equipping spaces with energy-saving features including more efficient LED lighting, motion sensor lighting, and energy efficient HVAC systems.

- Our Herndon, Virginia and Minneapolis, Minnesota corporate offices and many campus locations, including Australia and New Zealand campuses, use water efficient fixtures to decrease the amount of water usage.
- The Company has recycling programs within operations in the U.S., Australia, and New Zealand to encourage employees to recycle products, including a national contract with a document management company which provides corporate and campus locations with shredding bins on-site to allow business materials to be recycled. Between January 2021 and December 2022, the Company securely recycled approximately 50 U.S. short tons of paper resulting in significant environmental benefits, including benefits from not having to generate new paper. In 2023 and 2024, the Company securely recycled another approximately 8 and 7 U.S. short tons of paper, respectively.

Our environmental policy can be found at the website referenced above.

Governance Focus

The Board of Directors is ultimately responsible for oversight of the risk management of the Company; the CEO is the “Chief Risk Officer.” The Board reviews and approves all annual budgets, major uses of capital, major projects, and expansion plans related to the Company-owned institutions. One member of the Board of Directors also serves as a member of the governing body (the Board of Trustees) of Strayer University, and three others currently serve as members of the governing body (Board of Directors) of Torrens University. The Board of Trustees of Strayer University is made up of eleven trustees, including seven trustees who are unaffiliated with the Company, one trustee who is an independent member of the Company’s Board of Directors, two trustees who are members of senior leadership of the Company, and the President of Strayer University who serves as an ex officio member. Capella University’s Board of Trustees is comprised of ten trustees, including five independent trustees, three internal trustees, a learner representative, and a faculty representative. One of the internal trustees is a former officer of Strayer Education, one is a former President of Capella University, and the third is the President of Capella University. The Torrens University Board of Directors is comprised of ten directors, including the President of Torrens University, the former President of Torrens University, two directors who are independent members of the Company’s Board of Directors, and two executives of the Company, Karl McDonnell and Daniel Jackson. Consistent with accrediting body guidelines, the Board of Trustees of each of Strayer University and Capella University, and the Board of Directors of Torrens University, are responsible for the governance of their respective institutions.

The Board and its Compensation Committee continually evaluate the Company’s strategy, activities, and in particular compensation policies and practices, to protect against inappropriate risk taking. Any compensation program that seeks to pay managers for performance on behalf of owners carries some risk of overzealous performance. But paramount in the Company’s compensation program is an unwavering requirement that executive conduct conform to applicable legal, regulatory, and ethical business standards. Based on its evaluation and the views of advisors, the Compensation Committee believes that the Company’s executive compensation program, as described in the Compensation Discussion and Analysis section below, does not encourage inappropriate risk taking and that the Company has in place a strong culture, organization structure, and the compliance policies to manage operational risk effectively.

In addition, the Audit Committee oversees management of financial risk and our Code of Business Conduct, including monitoring conflicts of interest, and the Nominating Committee oversees the Company’s corporate governance, such as director independence. In performing these functions, each Committee of the Board of Directors has full access to management, as well as the ability to engage advisors. The Board is kept abreast of the Committees’ risk oversight and other activities through regular reports by each Committee Chair to the full Board of Directors.

The Board of Directors has established an Audit Committee, a Compensation Committee and a Nominating Committee, each composed entirely of independent directors. The current Committee membership is as follows:

Committee Memberships		
Audit	Compensation	Nominating
G. Thomas Waite, III, Chair	Rita D. Brogley, Chair	Viet D. Dinh, Chair
Jerry L. Johnson	Dr. John T. Casteen, III	Dr. Charlotte F. Beason
William J. Slocum	Dr. Michael A. McRobbie	Robert R. Grusky
Michael J. Thawley	William J. Slocum	Dr. Benjamin E. Sasse

The Audit Committee

The Audit Committee currently consists of Messrs. Waite (Chair), Johnson, Slocum, and Thawley. Prior to April 24, 2024, the Audit Committee consisted of Messrs. Waite, Johnson, and Slocum. The Audit Committee met five times during 2024.

The Audit Committee assists the Board in its oversight of the quality and integrity of our accounting, auditing, and reporting practices. Pursuant to the Audit Committee charter, the Audit Committee performs a variety of tasks, including being directly responsible for the appointment (subject to advisory stockholder ratification), compensation, and oversight of the Company’s independent registered public accounting firm. The Audit Committee also, among other things, reviews the Company’s accounting policies, unaudited quarterly earnings releases, and periodic filings with the Securities and Exchange Commission (the “SEC”), including the Company’s financial statements, and regularly reports to the Board of Directors. In addition, the Audit Committee assesses the Company’s enterprise risk management and cybersecurity risk management, and reviews and reports to the Board of Directors on efforts taken to mitigate such risks. The Audit Committee relies on the expertise and knowledge of management, the internal auditor, and the independent auditors in carrying out its oversight responsibilities.

The Audit Committee has a written charter, which was last amended on February 28, 2024. The Company will provide a copy of the Audit Committee charter to any person without charge, upon request. Persons wishing to make such a request should contact Lizette B. Herraiz, Senior Vice President and General Counsel, 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. In addition, the Audit Committee charter is available on the Company’s website, www.strategiceducation.com.

The Board of Directors has determined that all of the members of the Audit Committee are independent, as independence is defined under the Nasdaq Listing Standards and Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, as amended (the “1934 Act”). The Board of Directors has determined that each of Messrs. Johnson, Slocum, and Waite qualifies as an “audit committee financial expert,” as defined by SEC rules, based on their education, experience, and background.

A report of the Audit Committee is included below in this proxy statement.

The Compensation Committee

The Compensation Committee currently consists of Ms. Brogley (Chair), Dr. Casteen, Dr. McRobbie, and Mr. Slocum. Prior to April 24, 2024, the Compensation Committee consisted of Ms. Brogley (Chair), Dr. McRobbie, and Mr. Slocum. The Compensation Committee met four times during 2024.

The Compensation Committee is responsible for evaluating, and recommending to the full Board for approval, the compensation of the Chairman, the CEO, and other officers of the Company. The Compensation Committee is responsible for determining compensation policies and practices, changes in compensation and benefits for management, employee benefits, and all other matters relating to employee compensation, including matters relating to stock-based compensation, subject to the approval of the full Board.

The Compensation Committee has the authority to retain and terminate any compensation consultant to be used by it to assist in the evaluation of director and executive compensation. During 2024 approximately \$30,800 was paid to Equilar, Inc., to benchmark compensation for the executive officers, including the CEO and CFO positions. The Compensation Committee may form and delegate any of its authority to one or more subcommittees as it deems appropriate. For a discussion of the role of the Chairman and the CEO in determining or recommending the amount or form of executive compensation, see “Compensation Discussion and Analysis” below.

The Compensation Committee has adopted a written charter, which was last amended on February 28, 2024, a copy of which the Company will provide to any person without charge, upon request. Persons wishing to make such a request should contact Lizette B. Herraiz, Senior Vice President and General Counsel, 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. In addition, the Compensation Committee charter is available on the Company’s website, www.strategiceducation.com.

The Board has determined that all of the members of the Compensation Committee are independent, as independence is defined under the Nasdaq Listing Standards and Rule 10C-1(b)(1) under the 1934 Act. The Board also has determined that all of the members of the Compensation Committee qualify as “non-employee” directors as defined by SEC rules.

The Nominating Committee

The Nominating Committee consists of Mr. Dinh, Dr. Beason, Mr. Grusky, and Dr. Sasse. Prior to April 24, 2024, the Nominating Committee consisted of Dr. Casteen, Dr. Beason, Mr. Grusky, and Mr. Thawley. The Nominating Committee met three times during 2024.

The Nominating Committee is responsible for establishing qualifications for potential directors, considering and recommending prospective candidates for Board membership, recommending the Board committee structure, making recommendations as to director independence, developing and monitoring the Company’s corporate governance principles, and recommending director compensation. The Nominating Committee also oversees the evaluation of the Board and its committees, a longstanding role that was recently formalized in its charter. Each year, each member of the Board of Directors completes a 32-question self-assessment questionnaire that solicits views regarding the Board’s structure and organization, involvement, responsibilities, effectiveness, and other areas. The Nominating Committee oversees this process, reviews and evaluates the responses, and considers opportunities for improvement.

The Nominating Committee has a written charter, which was last amended February 26, 2025. The Nominating Committee charter will be made available to any person upon request without charge. Persons wishing to make such a request should contact Lizette B. Herraiz, Senior Vice President and General Counsel, 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. In addition, the Nominating Committee charter is available on the Company’s website, www.strategiceducation.com.

The Board has determined that all of the members of the Nominating Committee are independent, as independence is defined under the Nasdaq Listing Standards.

Under the Company’s Corporate Governance Principles, members of the Board are not permitted to be members of the board of directors of more than four (4) other public companies, excluding boards of directors of companies affiliated with the Company, without approval from the Nominating Committee. In addition, the CEO of the Company shall not be a member of the board of directors of more than two (2) public companies other than the Company, without prior approval from the Nominating Committee. Furthermore, Board members are required to give notification to the Chair of the Nominating Committee prior to accepting new public company directorships, to allow for a review of conflicts of interest and compliance with the above policy. The purpose of this policy is to ensure that directors are able to devote the necessary time and attention to matters pertaining to the Company.

The Corporate Governance Principles also require directors, following a significant change in occupation, to notify the Nominating Committee of the change and tender a resignation. The Nominating Committee will then deliberate regarding the change in occupation and recommend to the Board whether to accept the director’s resignation. The tendered resignation is not effective unless and until it is accepted by the Board, and the Board believes that not every change in occupation will necessitate a director’s departure.

The Board of Directors met four times during 2024. Each director attended at least 75% of the meetings of the Board, as well as the meetings of the Board Committees on which he or she served as a member in 2024. At each regularly scheduled meeting of the Board, the independent directors met in executive session. The Board's Presiding Lead Independent Director, which is currently Mr. Dinh, presides at these executive sessions. The Company encourages all incumbent directors and director nominees to attend each annual meeting of stockholders. All directors serving at the time attended last year's annual meeting of stockholders. The Board of Directors consists of a majority of independent directors, as independence is defined under the Nasdaq Listing Standards. The Board of Directors has determined that all members of the Board of Directors, except for Messrs. Silberman and McDonnell, are independent under these standards.

The Board of Directors adopted a Code of Business Conduct in February 2004, meeting the requirements of Section 406 of the Sarbanes-Oxley Act of 2002 and applicable Nasdaq requirements. The Code of Business Conduct was last amended on February 26, 2025, and includes, among other things, provisions prohibiting directors, officers and employees from: insider trading; investing in Company-based derivative securities, including options, warrants or similar rights whose value is derived from the value of an equity security; short selling or pledging the Company's securities; and trading in the Company's securities on a short-term basis. The Company will provide to any person without charge, upon request, a copy of such Code of Business Conduct. Persons wishing to make such a request should contact Lizette B. Herraiz, Senior Vice President and General Counsel, 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. In addition, the Code of Business Conduct is available on the corporate website, www.strategiceducation.com. In the event that the Company makes any amendment to, or grants any waiver from, a provision of the Code of Business Conduct that applies to the Company's principal executive officer, principal financial officer, principal accounting officer, controller, or certain other senior officers, or directors, and requires disclosure under applicable SEC rules or the Nasdaq Listing Standards, the Company intends to disclose such amendment or waiver and the reasons for the amendment or waiver on the Company's website, www.strategiceducation.com or, as required, file a Current Report on Form 8-K with the SEC reporting the amendment or waiver.

The Company has a process for stockholders to send communications to the Board of Directors. Any stockholder that wishes to communicate with the Board of Directors may do so by submitting correspondence in writing to the Board, in care of Lizette B. Herraiz, Corporate Secretary, Strategic Education, Inc., 2303 Dulles Station Blvd., Herndon, VA 20171, (703) 561-1600. The mailing envelope must contain a clear notation indicating that the enclosed letter is a "Stockholder — Board Communication." All such letters must identify the author as a stockholder. All correspondence from stockholders that (i) beneficially own more than 5% of the Company's common stock or (ii) have beneficially owned more than 1% of the Company's common stock for at least one year will be forwarded to the Board without prior review. In addition, communications from all other stockholders will be reviewed by the Chief Executive Officer and the Secretary of the Company and will be forwarded to the Board as appropriate.

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth certain information regarding the ownership of the Company's common stock as of March 3, 2025 (except as otherwise indicated), by each person known by management of the Company to be the beneficial owner of more than five percent (5%) of the outstanding shares of the Company's common stock, each of the Company's directors and director nominees, its Chairman, CEO, and other named executive officers and all executive officers and directors as a group. The information presented in the table is based upon the most recent filings with the SEC by those persons or upon information otherwise provided by those persons to the Company. The percentages reflected in the table for each beneficial owner are calculated based on the number of shares of common stock outstanding as of March 3, 2025.

Name of Beneficial Owner	Common Stock Beneficially Owned ^(a)	Common Stock Issuable within 60 days	Total	Percentage Owned
<i>Stockholders:</i>				
BlackRock, Inc. ^(b)	3,561,681	—	3,561,681	14.4%
The Vanguard Group, Inc. ^(c)	2,583,987	—	2,583,987	10.5%
T. Rowe Price Investment Management, Inc. ^(d)	2,413,089	—	2,413,089	9.8%
Marshfield Associates, Inc. ^(e)	1,857,315	—	1,857,315	7.5%
Dimensional Fund Advisors LP ^(f)	1,334,708	—	1,334,708	5.4%
Burgundy Asset Management Ltd. ^(g)	1,238,224	—	1,238,224	5.0%
<i>Directors and director nominees:</i>				
Robert S. Silberman	294,766	—	294,766	1.2%
Viet D. Dinh	20,020	—	20,020	*
Dr. Charlotte F. Beason	21,159	—	21,159	*
Rita D. Brogley	11,176	—	11,176	*
Gregory W. Cappelli	—	—	—	*
Dr. John T. Casteen, III	10,637	—	10,637	*
Robert R. Grusky	11,345	—	11,345	*
Jerry L. Johnson	5,930	—	5,930	*
Karl McDonnell	173,465	—	173,465	*
Dr. Michael A. McRobbie	5,535	—	5,535	*
Dr. Benjamin E. Sasse	1,193	—	1,193	*
William J. Slocum	2,631	—	2,631	*
Michael J. Thawley	8,555	—	8,555	*
G. Thomas Waite, III	15,128	—	15,128	*
<i>Named Executive Officers:</i>				
Daniel W. Jackson	102,177	—	102,177	*
Lizette B. Herraiz	63,168	—	63,168	*
Christa E. Hokenson	60,755	—	60,755	*
All Executive Officers and Directors (17 persons)	807,640	—	807,640	3.3%

* represents amounts less than 1%.

(a) For directors and officers, the number of shares of common stock beneficially owned includes shares of restricted stock, which the holder is entitled to vote.

(b) The information concerning BlackRock, Inc. is based on a Schedule 13G/A filed with the SEC on January 23, 2024. BlackRock, Inc. reports that, as of December 31, 2023, of the shares of common stock shown as beneficially owned, it had sole voting power over 3,499,894 shares and sole dispositive

power over 3,561,681 shares. BlackRock, Inc. reports that it is the parent holding company of subsidiaries identified in the Schedule 13G/A that hold shares of the common stock reported in the Schedule 13G/A. The address of BlackRock, Inc. is 50 Hudson Yards, New York, New York 10001.

- (c) The information concerning The Vanguard Group, Inc. is based on a Schedule 13G/A filed with the SEC on February 13, 2024. The Vanguard Group, Inc. reports that, as of December 29, 2023, of the shares of common stock shown as beneficially owned, it had shared voting power over 14,574 shares, sole dispositive power over 2,545,658 shares, and shared dispositive power over 38,329 shares. The Vanguard Group, Inc. reports that its clients, including investment companies registered under the Investment Company Act of 1940 and other managed accounts, have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the securities reported in the Schedule 13G/A. The address of The Vanguard Group, Inc. is 100 Vanguard Boulevard, Malvern, Pennsylvania 19355.
- (d) The information concerning T. Rowe Price Investment Management, Inc. is based on a Schedule 13G/A filed with the SEC on November 14, 2024. T. Rowe Price Investment Management, Inc. reports that, as of September 30, 2024, of the shares of common stock shown as beneficially owned, it had sole voting power over 2,402,384 shares and sole dispositive power over 2,413,089 shares. T. Rowe Price Investment Management, Inc. reports that the ultimate power to direct the receipt of dividends paid with respect to, and the proceeds from the sale of, of the shares reported in the Schedule 13G/A, is vested in the individual and institutional clients for which T. Rowe Price Investment Management, Inc. serves as investment adviser. The address of T. Rowe Price Investment Management, Inc. is 101 E. Pratt Street, Baltimore, Maryland 21201.
- (e) The information concerning Marshfield Associates Inc. is based on a Schedule 13G/A filed with the SEC on February 14, 2024. Marshfield Associates Inc. reports that, as of December 31, 2023, of the shares of common stock shown as beneficially owned, it had sole voting power over 1,373,929 shares and sole dispositive power over 1,857,315 shares. The address of Marshfield Associates Inc. is 21 Dupont Circle, NW, Suite 500, Washington, DC 20036.
- (f) The information concerning Dimensional Fund Advisors LP is based on a Schedule 13G filed with the SEC on February 9, 2024. Dimensional Fund Advisors LP reports that, as of December 29, 2023, of the shares of common stock shown as beneficially owned, it had sole voting power over 1,313,115 shares and sole dispositive power over 1,334,708 shares. Dimensional Fund Advisors LP reports that it serves as investment manager or sub-adviser to certain other commingled funds, group trusts and separate accounts (such investment companies, trusts and accounts, collectively referred to as the “Funds”) and that such Funds hold shares of the common stock reported in the Schedule 13G. The address of Dimensional Fund Advisors LP is 6300 Bee Cave Road, Building One, Austin, Texas 78746.
- (g) The information concerning Burgundy Asset Management Ltd. is based on a Schedule 13G filed with the SEC on November 12, 2024. Burgundy Asset Management Ltd. reports that, as of September 30, 2024, of the shares of common stock shown as beneficially owned, it had sole voting power over 905,739 shares and sole dispositive power over 1,238,224 shares. Burgundy Asset Management Ltd. reports that clients for whom Burgundy Asset Management Ltd. acts as investment adviser may withdraw dividends or the proceeds from the sale of securities from the accounts managed by Burgundy Asset Management Ltd. The address of Burgundy Asset Management Ltd. is 181 Bay Street, Suite 4510, Toronto, Ontario M5J 2T3.

EXECUTIVE COMPENSATION

The following discussion summarizes our executive compensation program for our named executive officers (“NEOs”). For 2024, our NEOs were:

NEO	Title
Robert S. Silberman	Chairman
Karl McDonnell	Chief Executive Officer & Director
Daniel W. Jackson	Chief Financial Officer
Lizette B. Herraiz	Chief Legal Officer & General Counsel
Christa E. Hokenson	Chief Human Resources Officer

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

The Company’s executive compensation program is designed to drive performance and align the long-term interests of management and our stockholders. Academic quality is the cornerstone of this program and ultimately advances all other key metrics. The Company’s policies on compensation, consistent with Department of Education regulations, seek to reward achievement of financial and strategic goals, both of which are driven by the success of our academic programs.

The following chart highlights key policies and objectives behind the Company’s development, review, and approval of named executive officer compensation:

COMPENSATION OBJECTIVES

Align Interests

The Compensation Committee seeks to align the perspectives of our executives and directors with those of our stockholders. It does so by designing a compensation program that incentivizes the achievement of strategic goals that ultimately drive the creation of sustainable stockholder value, including student success, regulatory compliance, and financial performance. Each of these goals is advanced by a focus on academic quality and the student experience. The Company also aligns long-term interests of our named executive officers and Board members with those of our stockholders by setting requirements on share ownership for all named executive officers and Board members.

Attract and Retain Talent

The Company sets compensation at levels sufficient to attract and retain highly qualified and productive personnel, as well as reward executives for actions that create long-term stockholder value. There are three major components of overall compensation: salary, non-equity incentive compensation, and equity grants. In order to better align pay with performance, the Compensation Committee generally establishes incentive compensation programs that comprise the majority of overall named executive officer compensation.

Pay for Performance

In making decisions on whether, and at what level, to fund non-equity incentive compensation each year, the Compensation Committee assesses Company performance against certain preset goals and objectives determined annually by the Board of Directors. These objectives consist of both quantitative financial metrics and strategic measures. For 2024, the Compensation Committee set target and stretch levels for financial metrics, but limited maximum payout for named executive officers to 100% of target.

The Company increases value and accountability through the following best practices:

WHAT WE DO	WHAT WE DO NOT DO
✓ Limit discretion by setting clear quantitative metrics for non-equity incentive compensation, with target payouts as a percentage of base salary for all named executive officers	X No compensation decisions for our NEOs without oversight of independent directors
✓ Establish Chief Executive Officer (“CEO”) target annual compensation that is at least 50% performance-based	X No hedging or other investments in derivatives of the Company, and no margin purchases
✓ Include robust performance-based criteria for the vesting of equity grants to named executive officers	X No pledging of Company securities
✓ Include double-trigger change in control vesting provisions for equity awards	X No excise tax gross-ups upon or following a change in control
✓ Clawback incentive compensation based on restated financial statements or performance metrics, regardless of whether the restatement is for miscalculation or misconduct	X No stock option re-pricing
✓ Use a representative and relevant peer group to guide compensation	X No perquisites for our NEOs
✓ Set robust stock ownership guidelines	X No executive pensions or supplemental executive retirement plan (“SERP”)

Compensation Policies and Objectives

In accordance with the Compensation Committee charter, the Company employs the following general policies in determining executive compensation:

- It is the policy of the Company that the three primary components of the Company’s compensation package for named executive officers (salary, non-equity incentive compensation, and equity grants) be considered in the aggregate. In other words, the total compensation of our executive officers should be appropriate to their contributions, and the amount of each component should take into account the size of their total compensation package, even if one individual component is larger or smaller than industry average.
- The Company believes that compensation of the Company’s key executives should be sufficient to attract and retain highly qualified and productive personnel, as well as to enhance productivity and reward superior performance.
- Consistent with Department of Education regulations, the Company seeks to reward achievement of specific corporate goals by providing named executive officers with the opportunity to participate in a non-equity incentive compensation plan with specific, pre-defined corporate goals and target payouts as a percentage of salary, and equity compensation with a required vesting period and robust performance-based vesting criteria.
- The Compensation Committee evaluates the extent to which the Company met certain preset performance objectives set annually by the Board to determine whether and/or at what level to pay non-equity incentive compensation. The Compensation Committee makes these assessments based on the Company’s annual financial statements, which are audited by the Company’s independent auditing firm. Each year, the corporate objectives used to determine incentive compensation eligibility for executives are chosen by the Board of Directors from criteria that were approved by the stockholders of the Company. The criteria used for 2024 were approved by stockholders at the 2018 Annual Meeting of Stockholders of the Company on November 6, 2018.

- One of the Company’s guiding principles is that its officers and directors think like owners. To this end, the Company has a requirement that within three years of hiring or promotion executive officers own shares equal to the amounts shown in the table below. Independent directors must own shares equal to 5x the maximum cash portion of the annual retainer within five years of the date of election. The Board reviews compliance with this policy consistent with historic share ownership, market price fluctuations, and other factors.

Title	Required Share Ownership
Chairman	5x Annual Salary
Chief Executive Officer	5x Annual Salary
Executive Vice President	3x Annual Salary
Senior Vice President	2x Annual Salary
Board of Directors	5x Cash Retainer

- In determining compensation levels at the Company for 2024, the Compensation Committee compared executive compensation at the Company to that of immediate competitors in higher education, as well as other peers in the broader education industry similar in revenue, market capitalization, and growth profile. For 2024, those ten publicly traded companies were: Adtalem Global Education, Inc., Bright Horizons Family Solutions Inc., Chegg, Inc., Graham Holdings Company, Grand Canyon Education, Inc., Stride, Inc. (formerly K12, Inc.), Laureate Education, Inc., Pearson PLC, Perdoceo Education Corporation, and 2U, Inc.
- The Compensation Committee generally sets salary targets at the midpoint of comparable companies and incentive compensation grants (both non-equity and stock-based) at or above the midpoint of comparable companies. This mix of compensation ensures that a greater proportion of executive pay is based on actual performance of the Company. If, in the Board’s judgment, the midpoint or upper quartile calculations of the comparable companies yield too high a compensation level, the Board will not match these levels, but instead will make reasoned judgments to establish the Company’s executive compensation at levels it deems more appropriate.

Stockholder Outreach

The Company values our stockholders’ opinions on the effectiveness of our compensation program. At the 2024 Annual Meeting of Stockholders, more than 94% of the votes cast were cast in favor of the advisory resolution to approve the 2023 compensation for the Company’s named executive officers. The Company believes this vote reflected clear stockholder approval of the Company’s pay practices and the absence of any practices that stockholders consider problematic. Additionally, we enhance our compensation program based on stockholder feedback and expectations:

- Engage stockholders to receive more and continuing feedback on our compensation program;
- Utilize a non-equity incentive compensation plan for all NEOs, with target payouts designated as a percentage of base salary;
- Include robust performance criteria for the vesting of all performance-based equity awards;
- Provide transparency to the actual performance objectives established by the Board; and
- Provide disclosures regarding the objectives and targets used to make determinations on compensation.

Throughout 2024, the Company continued our practice of year-round stockholder engagement related to business highlights and governance. This engagement helped us better understand stockholder perspectives on significant issues, including company performance and strategy, our compensation practices, and governance and other topics. At various times during the year, we met with representatives from 40 different institutional investors, who collectively own approximately 8.3 million shares or 34% of the Company’s outstanding shares as of the record date. The Compensation Committee values stockholder feedback provided through both the voting at the annual meeting of stockholders and stockholder outreach and will continue to consider stockholder feedback in the future.

Who Determines Compensation?

Each year, the Board of Directors sets a number of goals and objectives for the Company's business that align with our business strategy and reflect both financial and non-financial Company performance criteria. From these Company goals and objectives, the Compensation Committee designates certain financial, quantitative strategic, and non-quantitative strategic goals to establish performance expectations associated with non-equity and equity incentives. In 2024, financial metrics made up 65% of non-equity incentive compensation for NEOs. A quantitative strategic measure made up an additional 15%, and non-quantitative strategic measures accounted for the remaining 20%. For the 2024 performance year, the Compensation Committee set target and stretch levels for each financial measure. Under this framework, if a pass/fail metric is missed or if a quantitative measure is not met at target, the measure receives no corresponding payout. However, if a financial measure was met at stretch or between target and stretch, the payout for that individual measure could be adjusted upward by the percentage above target that it was met, up to 150%. Nonetheless, the maximum total payout for NEOs could not exceed 100% of target. The Compensation Committee retains discretion to reduce payouts even when targets are met. As discussed further below in the "2024 Compensation Decisions" section, based on the assessment of 2024 Company performance against the previously established goals, the Compensation Committee determined that all of the financial goals were met between target and stretch, the quantitative strategic goal was met between target and stretch, and the two non-quantitative strategic goals were met, thus achieving 123.9% of target payout for named executive officers. Because the total payout for NEOs was capped at 100%, this resulted in a payout of 100% of target.

In accordance with the Compensation Committee charter, compensation for the Company's Chairman and its CEO is determined by the Compensation Committee, subject to approval of the Company's Board of Directors (excluding the Chairman and the CEO, who are also directors). In making its determination on Chairman and CEO compensation, the Compensation Committee reviews a number of factors, including but not limited to:

- The Company's achievement of annual goals and objectives, both financial and strategic measures, set by the full Board of Directors at the beginning of the year;
- The long-term performance of the Company; and
- CEO compensation levels at comparable companies.

For the other named executive officers, the Compensation Committee reviews, approves, and recommends to the full Board compensation based on:

- Performance of the named executive officers in light of relevant goals and objectives approved by the Compensation Committee and the annual goals and objectives established by the Board;
- Executive compensation levels at comparable companies; and
- The recommendations of the Chairman and the CEO.

The Chairman and the CEO provide recommendations for named executive officer compensation (other than themselves) to the Compensation Committee based on a review and analysis of each officer's performance and contributions to the Company. While the Compensation Committee considers all of these recommendations, the Compensation Committee independently evaluates the recommendations for purposes of making its final recommendations to the full Board.

The Compensation Committee meets in the beginning of each year to review financial performance, to determine non-equity incentive compensation for the prior fiscal year, to consider equity awards, and to set executive officer salaries for the next fiscal year. The Compensation Committee meets again during the year, as may be required, to address compensation and equity grant issues for new officers and directors, to make equity grants as long-term compensation, and to make other determinations or recommendations with respect to employee benefit plans and related matters.

Identification and Analysis of 2024 Compensation Programs

During 2024, the Company's executive compensation program primarily included salaries, non-equity incentive compensation, and long-term compensation in the form of restricted stock awarded under the Company's 2018 Equity Compensation Plan.

- **Salary:** Salaries for executives other than the Chairman and the CEO are reviewed, approved, and recommended to the full Board annually by the Compensation Committee upon recommendation of the Chairman and the CEO. The Chairman and the CEO have employment agreements which include provisions regarding salary (see "Employment Agreements with Mr. Silberman and Mr. McDonnell" and "Potential Payments upon Termination or Change in Control" sections below) and their salaries are reviewed and approved annually by the Compensation Committee and the Board of Directors. The primary purpose of the base salaries paid to the Company's NEOs is to pay a fair, market competitive rate in order to attract and retain key executives. As discussed further above in the section titled, "Compensation Policies and Objectives," the Compensation Committee generally sets salary targets at the midpoint of comparable companies.
- **Non-Equity Incentive Compensation:** Non-equity incentive compensation for our named executive officers is determined each year by our Board of Directors upon the recommendation of the Compensation Committee. In determining whether and/or how much non-equity incentive compensation to recommend, the Compensation Committee determines whether, and to what extent, the Company has achieved its annual corporate objectives for the year, compares that achievement against specific, predetermined performance criteria, and calculates the payout relative to target.

As befits a company whose main operating assets are institutions of higher education holding the highest possible academic accreditation, these annual corporate objectives include non-financial goals and financial metrics. Of course, even if the Company achieves all of its non-financial and financial objectives in a given year, in the event of a breach of regulatory, legal, or ethical business standards, the Compensation Committee has the authority to eliminate the payment of non-equity incentive compensation for that year.

Although the Company's stock price may fluctuate during the year, the Board strongly believes that management's responsibility is to create an enduring increase in the long-term value of the Company. By achieving its annual corporate objectives, management will necessarily increase the long-term value of the Company and generate sustainable long-term increases in the value of our equity. Each year, the Board selects annual corporate objectives, which may include performance metrics approved by the stockholders of the Company for purposes of the Company's equity and non-equity incentive compensation programs. For 2024, the objectives for the named executive officers were chosen based on performance metrics approved by stockholders at the 2018 Annual Meeting of Stockholders, as part of the 2018 Equity Compensation Plan, which amended and restated the 2015 Equity Compensation Plan. While the Board believes that each of the various annual corporate objectives is relevant to the determination of executive compensation, the achievement of any one annual corporate objective would not, in and of itself, result in a specific amount of non-equity incentive compensation being paid to our named executive officers. In establishing the performance targets, the Compensation Committee sets the targets at levels that are realistic, and not guaranteed to be achieved.

The target non-equity incentive compensation for the Chief Executive Officer is 125% of base salary, as set forth in his employment agreement. For 2024, the Compensation Committee set target non-equity incentive compensation for other executive officers based on its evaluation of expectations for the positions held and the executives' ultimate ability to influence the outcomes desired. For the Chief Financial Officer, the Compensation Committee set target non-equity incentive compensation at 100% of base salary. For the General Counsel and Chief Human Resources Officer, the target was set at 75% of base salary. As set forth in his employment agreement (which was amended in 2023 and is described below), Mr. Silberman no longer participates in the Company's annual non-equity incentive compensation pool.

See “Summary Compensation Table” and “2024 Compensation Decisions” below for more information regarding non-equity incentive compensation for 2024.

- **Bonuses for Other Senior Executives:** Consistent with Department of Education regulations, the Company has established a bonus plan for senior executives who are not executive officers but who nevertheless meaningfully contribute to the success of the Company’s subsidiaries and the financial health of the Company. Such bonuses, both in cash and in equity, are determined each year by the Compensation Committee based on recommendations from the Chairman and CEO. In determining whether and how much to recommend for such bonuses, the Compensation Committee determines whether and to what extent the Company has achieved its annual corporate objectives for the year, the individual contribution of each executive to such achievement, and other criteria, such as comparable market pay and retention priorities.
- **Equity-based Compensation Program:** As discussed above, the Company believes it should, subject to achievement of certain non-financial, financial, and individual objectives, make annual equity grants in order to retain, motivate, and align the interests of those key executive officers, including our NEOs, with stockholders.

Equity awards under this program are only made after the Compensation Committee and the full Board of Directors have completed their analysis of both corporate and individual performance described above. For our Chief Executive Officer, we believe that at least 50% of his target total annual compensation should be performance-based equity grants of restricted stock with at least a four-year cliff vest. Equity grants made in 2024 require that Strayer University, Capella University, and Torrens University maintain their accreditation and all required regulatory approvals; that Strayer University and Capella University shall not have lost Title IV eligibility due to a breach of the 90/10 ratio requirement; and that Strayer University and Capella University have cohort default rates below the national average for proprietary institutions. The 90/10 ratio prohibits a proprietary institution from deriving more than 90% of revenues from Title IV funds. The cohort default rate is the federally mandated measure of student defaults on Title IV loans based on a three-year cohort, and an institution may lose eligibility to participate in some or all Title IV programs if, for three consecutive fiscal years, 30% or more of its students default on payments. Setting the maximum at below the average for proprietary schools helps ensure continued eligibility for Title IV funds for Strayer University and Capella University, while at the same time recognizing industry or nationwide conditions that may cause the rates to fluctuate year-to-year. These additional, robust criteria therefore serve the multiple purposes of improving student success, ensuring regulatory compliance, and enhancing the intrinsic value of the Company for its stockholders.

We view our equity as very valuable and are reluctant to issue it. Consistent with this view, we only grant equity awards to employees and directors when we believe the Company is getting incremental value (in terms of their service and performance) in return.

Our restricted stock agreements with employees contain specific clawback provisions. First, to the extent an employee is or becomes subject to a recoupment policy, including the Recoupment Policy described below, that employee must repay the Company for awards that the Company seeks to recoup under the Policy. Second, if the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct associated with any financial reporting requirement and the employee at issue (i) engaged in that misconduct, (ii) knowingly failed to prevent the misconduct, or (iii) was grossly negligent in preventing the misconduct, the employee is required to reimburse the Company the amount of any payment received in respect of the award earned or accrued during the 12-month period following the filing of the financial document that contained information affected by the material noncompliance. Third, if the Company is required to prepare an accounting restatement for any reason, then the employee must forfeit any cash or stock received in connection with the award if any amount of the award was based on the achievement of pre-established performance goals that were later determined, as a result of the accounting restatement, not to have been achieved.

- **Perquisites and Other Personal Benefits:** The Company does not offer any perquisites to its named executive officers. Further, named executive officers receive no incremental retirement benefits other than those offered to all employees of the Company.

- Employment Agreements with Mr. Silberman and Mr. McDonnell: Robert S. Silberman, the Company's Chairman, has an employment agreement with the Company which, prior to being amended, had an initial term of approximately three years (ending on December 31, 2004), and thereafter, automatically extended for successive one-year periods unless either the Company or Mr. Silberman provided timely notice to the contrary. Mr. Silberman's employment agreement was amended on May 2, 2013, in connection with his transition from Chief Executive Officer to Executive Chairman, again on April 24, 2014, and again in connection with his transition from Executive Chairman to Chairman on April 26, 2023. Under the agreement, as amended, Mr. Silberman's initial term of employment is five years (ending on April 26, 2028), and is automatically renewable thereafter for one-year terms unless the Company or Mr. Silberman provides notice otherwise. The amended agreement provides for a base salary of not less than \$800,000 per annum (subject to annual cost-of-living increases and any other increases that may be approved by the Board of Directors from time to time). Under the amended agreement, Mr. Silberman does not participate in the Company's annual non-equity incentive compensation pool, but is eligible to receive annual grants of equity incentive compensation, which grants will be subject to the Company's equity compensation program in effect from time to time. In the event of Mr. Silberman's termination without cause, the employment agreement provides for the lump sum payment of three years' base salary, three years of medical benefits, and immediate accelerated vesting of all previously granted restricted stock and option awards. (Cause is defined in the agreement as (i) the willful and continued failure to perform required duties not cured within thirty days of receiving written notice from the Company detailing such failure, (ii) engaging in willful misconduct which is materially injurious to the Company, (iii) a conviction or no-contest plea with respect to any felony, or (iv) a material breach of the employment agreement not cured within thirty days of receiving written notice from the Company of such breach.) The employment agreement also provides for a double-trigger change of control termination clause, wherein if Mr. Silberman is either (i) terminated by the Company without cause within six months of the effective date of the change of control, or (ii) there is a material reduction in Mr. Silberman's authority, function, duties, or responsibilities which causes Mr. Silberman's resignation within six months of the change of control, he would receive all payments to which he would be entitled for any "without cause" termination, as well as a one-time payment of \$2,925,000 (an amount equal to three times his most recent non-equity incentive compensation award). Mr. Silberman is not entitled to a gross-up payment for any excise taxes imposed on termination payments. The agreement also contains covenants restricting Mr. Silberman from competing with the Company for six years after his termination of employment and requiring Mr. Silberman to keep the Company's proprietary information confidential.

The Company also entered into an employment agreement on May 2, 2013 with Karl McDonnell in connection with his promotion to Chief Executive Officer, amended that agreement on April 24, 2014, and amended that agreement again on July 26, 2023. Under the employment agreement, as amended, Mr. McDonnell's term of employment is five years (ending on July 26, 2028) and is automatically renewable thereafter for one-year terms unless the Company or Mr. McDonnell provides notice otherwise. Under the agreement, Mr. McDonnell is given a base salary of \$961,175, which is subject to annual cost-of-living increases and any other increases that may be approved by the Board of Directors from time to time. Mr. McDonnell is also eligible to receive a target non-equity incentive compensation amount equal to 125% of base salary for each fiscal year during which he is employed upon meeting certain corporate and financial goals annually approved by the Board. In addition, Mr. McDonnell's employment agreement provides for an annual restricted share grant, conditioned upon applicable performance criteria as may be established by the Compensation Committee and with a four-year cliff vest. Mr. McDonnell is not entitled to a gross-up payment for any excise taxes which may be imposed on termination payments, and his employment agreement contains severance and restrictive covenant provisions (including a double-trigger change of control termination clause) in line with the provisions set forth in Mr. Silberman's employment agreement, discussed above.

- Retirement Compensation Plans: The Company maintains a retirement plan (the "401(k) Plan") for its U.S.-based employees intended to qualify under Sections 401(a) and 401(k) of the Internal Revenue Code of 1986, as amended. The 401(k) Plan is a defined contribution plan that covers eligible

full-time and part-time U.S.-based employees of the Company who are at least 21 years of age. The Company, in its discretion, matches employee contributions up to a maximum authorized amount under the plan. In 2024, the Company offered a 100% match on the first 2% of contribution, and a 50% match on the next 2% of the contribution, for a potential Company match of 3% of the employee's annual salary. The Company offers this plan to enable and encourage its employees to save for their retirement in a tax advantageous way. For ANZ, the Company pays into a superannuation fund for each eligible employee. The Company also maintains an Employee Stock Purchase Plan (the "Employee Purchase Plan"). The purpose of the Employee Purchase Plan is to enable eligible full-time employees of the Company, through payroll deductions, to purchase shares of its common stock at a 10% discount from the prevailing market price from time to time. The Company offers this Employee Purchase Plan to encourage stock ownership by its employees. The Company does not currently provide executives with any supplemental or deferred retirement plans.

2024 Compensation Decisions

The compensation policies and objectives outlined above formed the basis for the Compensation Committee's recommendation, and the Board's determination, of 2024 compensation for our named executive officers. Each component, and the overall compensation package, for named executive officers reflected the Company's philosophy of paying for performance based on corporate and personal achievements in 2024.

- **Salary:** Our named executive officers received customary salary increases in 2024.
- **Non-equity Incentive Compensation:** At the start of each year, the Board of Directors sets specific goals upon which it will evaluate non-equity incentive compensation in the upcoming year. These goals are comprised of financial objectives, quantitative strategic objectives, and non-quantitative strategic objectives and strategic measures. In 2024, for the named executive officers, non-equity incentives were based entirely on Company performance against preset goals established by the Board of Directors at the start of the fiscal year. Company performance against financial objectives accounted for 65% of the performance evaluation, a quantitative strategic measure made up an additional 15%, and non-quantitative strategic measures accounted for the remaining 20%. The Compensation Committee set a financial metric performance threshold for named executive officers which, if met, would yield a target payout of non-equity incentive compensation at 100% of target. Each financial objective also contained stretch goals, which if met would increase the payout for that objective by a corresponding percentage. However, the maximum total payout for named executive officers could not exceed 100% of target.

Target payout is 125% of base salary for the CEO, 100% of base salary for the Chief Financial Officer, and 75% for the General Counsel and Chief Human Resources Officer.

For 2024, the Board of Directors set quantitative financial objectives for Revenue, Operating Income, and Earnings per Share ("EPS") (weighted at 25%, 20%, and 20% respectively). In addition, for 2024, the Board of Directors established a quantitative strategic goal: to grow employer-affiliated enrollment at our U.S. institutions (weighted at 15%). This goal is important to the Company's long-term strategy to shift more of its education funding from U.S. backed Title IV to funding from employers, which aids compliance with the 90/10 ratio. Two non-quantitative strategic goals, reallocating excess capital to investors and maintaining all regulatory, legal, and ethical standards, were also set (each weighted 10%).

After the conclusion of the fiscal year, the Compensation Committee evaluated the achievement of both the quantitative metrics and the strategic measures. The Compensation Committee determined that the Company achieved the Operating Income, EPS, and Revenue measures above target, achieved the quantitative strategic goal above target, and achieved the two non-quantitative strategic goals, resulting in a weighted payout percentage of 123.9% of target. Because the total payout for NEOs was capped at 100%, this resulted in a payout of 100% of target.

The chart below shows the 2024 breakdown of the performance metrics and the Compensation Committee's calculations in making its pay-for-performance determinations for our NEOs:

Measure	Weight	Target	Stretch	2024	2024	Weighted
		100% Payout ^(a)	150% Payout	Results ^(a)	Calculated % of Target	
Revenue (in thousands)	25%	\$1,200,000	\$1,245,000	\$1,220,907	123.2%	30.8%
Operating Income (in thousands)	20%	\$ 150,000	\$ 166,000	\$ 156,961	121.8%	24.4%
EPS	20%	\$ 4.50	\$ 5.00	\$ 4.83	133.0%	26.6%
Grow Employer Affiliated Enrollment	15%	50bps	250bps	239bps	147.3%	22.1%
Non-quantitative Strategic Goals	20%	—	—	Achieved	100.0%	20.0%
Total	100%					123.9%

(a) The measures that the Compensation Committee uses to evaluate non-equity compensation include Revenue, Operating Income, and EPS. The figures that are used to set targets for non-equity compensation are based on adjusted results, which exclude certain expenses and accounting adjustments relating to the Company's acquisition of ANZ, severance and other costs associated with restructuring, income recognized from certain investments, and certain tax adjustments, and are further adjusted as applicable using a constant exchange rate of 0.66 Australian Dollars to U.S. Dollars and a 29.5% effective tax rate.

Based on this information, and coupled with the evaluation of individual performance during the course of the year, non-equity incentive compensation for the NEOs (other than the Chairman, who, under his amended employment agreement does not receive non-equity incentive compensation) was as follows:

	Annual Target as a Percentage of Base Salary	2024 Target Award Opportunity	2024 Achievement %	2024 Actual Award	2024 Award as % of Base Salary
Karl McDonnell	125%	\$1,237,513	100.0%	\$1,237,513	125.0%
Daniel W. Jackson	100%	\$ 600,000	100.0%	\$ 600,000	100.0%
Lizette B. Herraiz	75%	\$ 375,000	100.0%	\$ 375,000	75.0%
Christa E. Hokenson	75%	\$ 375,000	100.0%	\$ 375,000	75.0%

- **Equity-based Compensation:** The Company views its equity as very valuable and is reluctant to issue it given the dilutive effect on existing stockholders. The Compensation Committee determines whether and to what extent the NEOs receive grants based on the NEOs' contributions towards achievement of corporate goals, coupled with the Company's desire to retain, motivate, and align the interests of NEOs with stockholders' interests.

In February 2024, the Compensation Committee and Board evaluated the achievement of the previous fiscal year's goals, as well as each executive officer's individual contributions thereto, in making determinations on executive officer long-term incentive equity grants. Mr. McDonnell was awarded a performance-based restricted share equity grant with a grant date fair value of \$3,250,000. Mr. Silberman was awarded a performance-based restricted share equity grant with a grant date fair value of \$3,250,000. Also in February 2024, Mr. Jackson received a performance-based restricted share equity grant with a grant date fair value of \$2,000,000, and Ms. Herraiz and Ms. Hokenson each received a performance-based restricted share equity grant with a grant date fair value of \$1,000,000. For all February 2024 awards, the Compensation Committee determined the grant date fair value based on the closing price of the Company's common stock on February 28, 2024, the date of grant. The size of these awards was determined based on the operating successes of 2023 across all of our segments, including the growth in our U.S. Higher Education and Education Technology Services segments, and the continued integration and expansion of ANZ. The restricted shares have a 4-year cliff vest and contain robust performance measures as described below.

Performance criteria related to the vesting of equity grants made to the named executive officers in 2024 included maintaining all required regulatory approvals and the accreditation of both Strayer

University and Capella University, maintaining accreditation and regulatory approvals for Torrens University, and (1) ensuring that Strayer University and Capella University shall not have lost Title IV eligibility due to a breach of the 90/10 ratio requirement, and (2) maintaining the cohort default rates of both Strayer University and Capella University below the national average of proprietary institutions, for each of the fiscal years from 2024 through 2027. The Compensation Committee believes that, while financial metrics are key drivers of short-term performance, the performance criteria underpinning performance-based equity are critical to ensure the long-term sustainability of the Company's business model.

For the previous grants of restricted stock that vested in 2024, the Compensation Committee determined that the performance criteria had been met.

Recoupment Policy

The Company adopted an amended Recoupment Policy effective November 2023. The amended policy, which each executive officer who receives incentive-based compensation, as well as the Chief Accounting Officer, must acknowledge and agree to, requires that any incentive-based compensation will be subject to recoupment in the event of any accounting restatement (as defined in the policy), including an accounting restatement "to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period"; or a decision by the Compensation Committee that one or more performance metrics used for determining previously paid incentive-based compensation was incorrectly calculated and, if calculated correctly, would have resulted in a lower payment to one or more executive officers.

Insider Trading Policy

The Company has adopted an insider trading policy, included in our Code of Business Conduct, governing the purchase, sale, and/or other dispositions of the Company's securities by directors, officers and employees, or the Company itself, that is reasonably designed to promote compliance with insider trading laws, rules and regulations, and Nasdaq Listing Standards. The full text of our Code of Business Conduct, including our insider trading policy, was filed as Exhibit 14.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

No Hedging, Pledging or Short Sales Transactions Permitted

The Company's Code of Business Conduct prohibits all officers, directors, trustees and other persons designated by the Audit Committee from engaging in hedging transactions designed to offset decreases in the market value of the Company's securities or otherwise investing in options, warrants, stock appreciation rights, put or call option contracts, straddles or similar rights relating to the Company's securities. In addition, the Code of Business Conduct prohibits such persons from pledging any Company securities as collateral for a loan, engaging in short sales of Company securities, or purchasing the Company's securities on margin.

Policies and Practices Related to the Grant of Certain Equity Awards

While we do not have a formal policy with respect to the timing of awards of stock options, stock appreciation rights, or similar option-like instruments to our NEOs, historically, including during 2024, our Compensation Committee has not granted such awards. The Compensation Committee approves the grant of equity compensation awards at approximately the same time every year. We have not timed the disclosure of material nonpublic information for the purpose of affecting the value of executive compensation.

Impact of Tax and Accounting Treatment

Under Section 162(m) of the Internal Revenue Code of 1986, as amended, and applicable Treasury regulations, no deduction is allowed for annual compensation in excess of \$1 million paid by a publicly traded corporation to its chief executive officer, chief financial officer, and certain other highly compensated employees (except for certain compensation that is “grandfathered” in accordance with the Tax Cuts and Jobs Act of 2017). The Company intends to continue its practice of making a large percentage of named executive officer compensation performance-based, despite the fact that such amounts above \$1 million are no longer tax deductible.

Summary Compensation Table

The following table sets forth all compensation awarded to the Company’s named executive officers for the fiscal years ended December 31, 2022, 2023, and 2024:

	Year	Salary	Non-Equity Incentive Plan Compensation ^(a)	Stock Awards ^(b)	All Other Compensation ^(c)	Total
Robert S. Silberman, Chairman	2024	\$832,000	\$ —	\$3,250,000	\$10,380	\$4,092,380
	2023	\$800,000	\$ —	\$3,200,000	\$ 9,930	\$4,009,930
	2022	\$780,000	\$ 975,000	\$2,880,000	\$ 9,150	\$4,644,150
Karl McDonnell, Chief Executive Officer & Director	2024	\$990,010	\$1,237,513	\$3,250,000	\$10,350	\$5,487,873
	2023	\$961,175	\$1,196,663	\$3,250,000	\$ 9,900	\$5,417,738
	2022	\$933,180	\$1,166,475	\$3,360,000	\$ 9,150	\$5,468,805
Daniel W. Jackson, Executive Vice President & Chief Financial Officer	2024	\$600,000	\$ 600,000	\$2,000,000	\$10,385	\$3,210,385
	2023	\$574,000	\$ 571,704	\$2,000,000	\$ 9,955	\$3,155,659
	2022	\$557,000	\$ 557,000	\$1,920,000	\$ 9,150	\$3,043,150
Lizette B. Herraiz, Senior Vice President, Chief Legal Officer & General Counsel	2024	\$500,000	\$ 375,000	\$1,000,000	\$10,605	\$1,885,605
	2023	\$486,000	\$ 363,042	\$1,000,000	\$ 9,955	\$1,858,997
	2022	\$472,000	\$ 354,000	\$ 960,000	\$ 9,150	\$1,795,150
Christa E. Hokenson, Senior Vice President & Chief Human Resources Officer	2024	\$500,000	\$ 375,000	\$1,000,000	\$10,380	\$1,885,380
	2023	\$466,000	\$ 348,102	\$1,000,000	\$ 9,930	\$1,824,032
	2022	\$452,000	\$ 339,000	\$ 960,000	\$ 9,150	\$1,760,150

(a) The Non-Equity Incentive compensation reported in this column was earned in fiscal years 2024, 2023, and 2022 and paid in fiscal years 2025, 2024, and 2023, respectively. See “Non-Equity Incentive Compensation” discussion above for additional detail.

(b) The amounts shown in this column reflect the grant date fair value determined in accordance with FASB ASC Topic 718. In 2022 and 2024, this grant date fair value was based on the closing price of the Company’s common stock on the grant date. In 2023, grant date fair value was based on the closing price of the Company’s common stock on February 21, 2023. The value of any dividends paid by the Company is assumed to be included in the grant date fair value of each award.

(c) All Other Compensation for each named executive officer primarily represents the Company’s \$10,350 matching contribution to the Company’s 401(k) plan.

Grants of Plan-Based Awards

The following table sets forth grants of plan-based awards to the Company's named executive officers for the fiscal year ended December 31, 2024.

Name	Grant Date	Estimated future payouts under non-equity incentive plan awards ^(b)			All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock Awards ^(c)	Vesting Date
		Threshold (\$)	Target (\$)	Maximum (\$)			
Robert S. Silberman, Chairman	2/28/24	—	—	—	34,189 ^(a)	3,250,000	2/28/28
Karl McDonnell, Chief Executive Officer & Director	2/28/24	—	185,627	1,237,513	34,189 ^(a)	3,250,000	2/28/28
Daniel W. Jackson, Executive Vice President & Chief Financial Officer	2/28/24	—	90,000	600,000	21,040 ^(a)	2,000,000	2/28/28
Lizette B. Herraiz Senior Vice President, Chief Legal Officer & General Counsel	2/28/24	—	56,250	375,000	10,520 ^(a)	1,000,000	2/28/28
Christa E. Hokenson Senior Vice President & Chief Human Resources Officer	2/28/24	—	56,250	375,000	10,520 ^(a)	1,000,000	2/28/28

- (a) These awards of restricted stock vest 100% on February 28, 2028, upon the satisfaction of certain performance criteria as discussed above in the "Equity-based Compensation" section. The closing price of the Company's common stock was \$95.06 on the grant date of these awards.
- (b) Represents potential cash payments based on the satisfaction of certain objectives as discussed above in the "Non-Equity Incentive Compensation" section. The threshold amount represents satisfaction of the objective with the smallest possible payment, assuming no other objectives are satisfied.
- (c) The amounts shown in this column reflect the grant date fair value determined in accordance with FASB ASC Topic 718. The value of any dividends paid by the Company is assumed to be included in the grant date fair value of each award.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth outstanding stock awards of the Company's named executive officers as of December 31, 2024. There were no outstanding option awards held by the Company's named executive officers as of December 31, 2024.

Name	Restricted Stock/ Restricted Stock Unit Award Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares of Stock at 12/31/24 That Have Not Vested (\$) ^(e)	Restricted Stock Vesting Date
Robert S. Silberman, Chairman	2/25/21	55,267 ^(a)	\$5,163,000	2/25/25
	2/24/22	57,542 ^(b)	\$5,376,000	2/24/26
	2/22/23	34,000 ^(c)	\$3,176,000	2/22/27
	2/28/24	34,189 ^(d)	\$3,194,000	2/28/28
Karl McDonnell, Chief Executive Officer & Director	2/25/21	55,267 ^(a)	\$5,163,000	2/25/25
	2/24/22	67,133 ^(b)	\$6,272,000	2/24/26
	2/22/23	34,531 ^(c)	\$3,226,000	2/22/27
	2/28/24	34,189 ^(d)	\$3,194,000	2/28/28
Daniel W. Jackson, Executive Vice President & Chief Financial Officer	2/25/21	11,054 ^(a)	\$1,033,000	2/25/25
	2/24/22	38,362 ^(b)	\$3,584,000	2/24/26
	2/22/23	21,250 ^(c)	\$1,985,000	2/22/27
	2/28/24	21,040 ^(d)	\$1,966,000	2/28/28
Lizette B. Herraiz, Senior Vice President, Chief Legal Officer & General Counsel	2/25/21	5,527 ^(a)	\$ 516,000	2/25/25
	2/24/22	19,181 ^(b)	\$1,792,000	2/24/26
	2/22/23	10,625 ^(c)	\$ 993,000	2/22/27
	2/28/24	10,520 ^(d)	\$ 983,000	2/28/28
Christa E. Hokenson, Senior Vice President & Chief Human Resources Officer	2/25/21	5,527 ^(a)	\$ 516,000	2/25/25
	2/24/22	19,181 ^(b)	\$1,792,000	2/24/26
	2/22/23	10,625 ^(c)	\$ 993,000	2/22/27
	2/28/24	10,520 ^(d)	\$ 983,000	2/28/28

- (a) These awards of restricted stock vested 100% on February 25, 2025, upon the satisfaction of certain performance criteria. The Company's closing price of common stock was \$90.47 on the grant date of these awards.
- (b) These awards of restricted stock vest 100% on February 24, 2026, subject to the satisfaction of certain performance criteria. The Company's closing price of common stock was \$50.05 on the grant date of these awards.
- (c) These awards of restricted stock vest 100% on February 22, 2027, subject to the satisfaction of certain performance criteria. The Company's closing price of common stock was \$94.12 on February 21, 2023, which was used as the grant date per share value of these awards.
- (d) These awards of restricted stock vest 100% on February 28, 2028, subject to the satisfaction of certain performance criteria. The Company's closing price of common stock was \$95.06 on the grant date of these awards.
- (e) Reflects the market value of unvested awards of restricted stock based on the Company's closing stock price of \$93.42 on December 31, 2024.

Options Exercised and Restricted Stock Vested

The following table sets forth the shares of restricted stock that vested during the fiscal year ended December 31, 2024 for each of the named executive officers and the value realized upon the vesting of such shares. None of the named executive officers exercised options during the fiscal year ended December 31, 2024.

Name	Number of Shares Acquired On Vesting (#)	Realized Value On Vesting ⁽¹⁾ (\$)
Robert S. Silberman, Chairman	20,518	1,966,650
Karl McDonnell, Chief Executive Officer & Director	20,518	1,966,650
Daniel W. Jackson, Executive Vice President & Chief Financial Officer	6,840	655,614
Lizette B. Herraiz, Senior Vice President, Chief Legal Officer & General Counsel	2,736	262,246
Christa E. Hokenson, Senior Vice President & Chief Human Resources Officer	3,420	327,807

(1) With respect to these awards, realized value was determined by multiplying the number of shares by the Company's closing price of common stock on February 26, 2024. These shares vested on February 27, 2024 and were valued at \$95.85 per share.

Potential Payments upon Termination or Change in Control

In 2024, Mr. Silberman and Mr. McDonnell were the only named executive officers with employment contracts, and both agreements provide for a double-trigger change of control termination clause. In the event that Mr. Silberman is terminated by the Company without cause, he is entitled to receive a lump sum payment of three years' salary, which would currently total approximately \$2.5 million, and all restricted stock awards previously granted to him shall immediately vest. (Cause is defined in the contract as (i) the willful and continued failure to perform required duties not cured within thirty days of receiving written notice from the Company detailing such failure, (ii) engaging in willful misconduct which is materially injurious to the Company, (iii) a conviction or no-contest plea with respect to any felony, or (iv) a material breach of the employment agreement not cured within thirty days of receiving written notice from the Company of such breach.) If Mr. Silberman is terminated without cause within six months of a change of control, or there is a material reduction in his authority, function, duties, or responsibilities which causes his resignation within six months of a change of control, Mr. Silberman would receive all payments to which he would be entitled for any "without cause" termination, as well as a one-time payment in an amount equal to three times his most recent non-equity incentive compensation award (\$2.9 million) (because he no longer is entitled to non-equity incentive compensation, this is based off of his 2022 award). (A change of control is defined in the contract as the acquisition of more than 50% of the voting stock of the Company or the acquisition of combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, completion of a merger or other business combination resulting in a change in control of more than 50% of the voting stock of the Company, election of a substantially different Board of Directors or approval by stockholders of a complete liquidation or dissolution of the Company.) Consistent with the agreement with Mr. Silberman in effect since 2001, Mr. Silberman is entitled to three years of medical benefits following a termination without cause (estimated cost of \$63,000). Mr. Silberman is not entitled to a gross-up payment for any excise taxes which may be imposed on termination payments. The agreement also contains covenants restricting Mr. Silberman from competing with the Company for six years after his termination of employment and requiring Mr. Silberman to keep the Company's proprietary information confidential.

In the event that Mr. McDonnell is terminated by the Company without cause, he is entitled to receive a lump sum payment of three years' salary (which would currently total approximately \$3.0 million), up to three years' medical benefits (estimated cost of \$63,000), and all restricted stock awards shall immediately vest. (Cause is defined in the same manner as in Mr. Silberman's employment agreement.) If Mr. McDonnell is terminated without cause within six months of a change in control, or there is a material reduction in his authority, function, duties, or responsibilities which causes his resignation within six months of a change in control, Mr. McDonnell is entitled to the same payments and benefits as in any other termination without cause, plus three times his latest previous annual non-equity incentive compensation award actually paid (which would currently total approximately \$3.7 million). (A change in control is defined in the same manner as in Mr. Silberman's employment agreement.) Mr. McDonnell is not entitled to a gross-up payment for any excise taxes which may be imposed on termination payments. The agreement also contains covenants restricting Mr. McDonnell from competing with the Company for six years after his termination of employment and requiring Mr. McDonnell to keep the Company's proprietary information confidential.

All stock options and restricted stock awards contain a double-trigger change in control vesting clause. That is, the options and awards vest in connection with a change in control only if such change in control results in (1) termination of employment by the Company without cause within six months of the effective date of the change in control; or (2) the occurrence of a material reduction in the officers' authority, functions, duties, or responsibilities which causes the executives' resignation from the Company within six months of the effective date of the change in control.

The value attributable to the accelerated vesting of stock-based awards resulting from a termination in connection with a change in control is set forth below, assuming the change of control occurred on December 31, 2024, when the most recent closing price of the Company's common stock was \$93.42.

<u>Name</u>	<u>Value Realized Upon Vesting Due to Change in Control with Termination (\$)</u>
Robert S. Silberman	16,909,000
Karl McDonnell	17,855,000
Daniel W. Jackson	8,568,000
Lizette B. Herraiz	4,284,000
Christa E. Hokenson	4,284,000

Securities Authorized for Issuance Under Equity Compensation Plans

Set forth in the table below is information pertaining to securities authorized for issuance under the Company's equity compensation plans as of December 31, 2024. There are options and restricted stock units but no warrants existing under these plans.

Equity Compensation Plan Information as of December 31, 2024⁽¹⁾

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b) ⁽²⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column(a)) (c)
Equity compensation plans previously approved by security holders			
2018 Equity Compensation Plan which replaced the 2015 Equity Compensation Plan	—	\$ —	498,862
Equity compensation plans not previously approved by security holders⁽³⁾			
Capella Education Company 2014 Equity Incentive Plan	11,105	\$71.76	—
Capella Education Company 2005 Stock Incentive Plan	—	\$ —	—
Total	<u>11,105</u>	<u>\$71.76</u>	<u>498,862</u>

- (1) In 2022, the Company sought and received shareholder approval to amend the Strategic Education, Inc. 2018 Equity Compensation Plan, the result of which was to make available shares for issuance thereunder that were previously available for issuance under the Capella Education Company 2014 Equity Incentive Plan. Subsequent to grants made to certain senior level employees in February 2025 as part of the Company's total compensation package, as of March 3, 2025, there are 266,010 shares available for issuance under the 2018 Equity Compensation Plan. Additionally, as of March 3, 2025, there are 9,594 securities to be issued upon the exercise of outstanding options, with a weighted average exercise price of \$72.73 and a weighted average remaining contractual term of 1.56 years, under the Capella Education Company 2014 Equity Incentive Plan. As of March 3, 2025, the number of restricted shares or units outstanding was 1,243,183 with a weighted average grant price of \$79.66. Proposal 4 below seeks stockholder approval to amend the Company's 2018 Equity Compensation Plan to increase the number of shares available for issuance.
- (2) The weighted average exercise price does not reflect shares that will be issued upon the vesting of outstanding restricted stock units.
- (3) In connection with the merger of the Company with Capella Education Company on August 1, 2018, the Capella Education Company 2014 Equity Incentive Plan and the Capella Education Company 2005 Stock Incentive Plan were assumed by the Company.

COMPENSATION COMMITTEE REPORT

The Company has established a standing Compensation Committee. The Compensation Committee is composed of Ms. Brogley (Chair), Dr. Casteen, Dr. McRobbie, and Mr. Slocum. Prior to April 24, 2024, the Committee consisted of Ms. Brogley, Dr. McRobbie, and Mr. Slocum.

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis section with management and, based on the review and discussion, the Committee recommended to the Board to include this information in the Company's Annual Report on Form 10-K and proxy statement.

Compensation Committee:

Rita D. Brogley, Chair

Dr. John T. Casteen III

Dr. Michael A. McRobbie

William J. Slocum

AUDIT COMMITTEE REPORT

The Audit Committee of the Strategic Education, Inc. (the "Company") Board of Directors is composed of four directors, Messrs. Waite (Chair), Johnson, Slocum, and Thawley, all of whom are independent, as independence is defined under the Nasdaq Listing Standards and Rule 10A-3(b)(1) of the 1934 Act. Prior to April 24, 2024, the Audit Committee consisted of Messrs. Waite, Johnson, and Slocum. The Audit Committee operates under a written charter first adopted in 2001, which is currently reviewed annually, and which has periodically been revised by the Committee to reflect regulatory developments.

The function of the Audit Committee is oversight. The management of the Company is responsible for the preparation, presentation and integrity of the Company's financial statements. Management is responsible for maintaining appropriate accounting and financial reporting policies and internal controls and procedures that provide for compliance with accounting standards and applicable laws and regulations.

The independent auditors are responsible for planning and carrying out a proper audit of the Company's annual financial statements, reviews of the Company's quarterly financial statements prior to the filing of each quarterly report on Form 10-Q, and other procedures.

In connection with this responsibility, during 2024 the Audit Committee met and held discussions with management four times together with the Company's independent registered public accounting firm. The Audit Committee reviewed and discussed the audited financial statements with management. At least quarterly, as a matter of practice, the Audit Committee, in addition to the agenda with all present, meets separately with management, internal audit, and PricewaterhouseCoopers LLP, and in executive session of itself. Management represented to the Audit Committee that the Company's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and the Audit Committee reviewed and discussed the consolidated financial statements with management and, independently with PricewaterhouseCoopers LLP. The Committee also discussed with PricewaterhouseCoopers LLP the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board and the SEC.

During the year 2024, management conducted the documentation, testing and evaluation of the Company's system of internal control over financial reporting in accordance with the requirements set forth in Section 404 of the Sarbanes-Oxley Act of 2002 and related regulations. The Audit Committee was kept apprised of the progress of the evaluation and provided oversight during the process. In connection with this oversight, the Audit Committee received periodic updates provided by management and PricewaterhouseCoopers LLP at each regularly scheduled Audit Committee meeting. At the conclusion of the process, management provided the Audit Committee with a report on the effectiveness of the Company's internal control over financial reporting. The Audit Committee also reviewed the report of management contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the SEC, as well as PricewaterhouseCoopers LLP's Report of Independent Registered Public Accounting Firm (included in the Company's Annual Report on Form 10-K). This report of PricewaterhouseCoopers LLP related to its audit of (i) the consolidated financial statements and (ii) the

effectiveness of internal control over financial reporting. The Audit Committee continues to oversee the Company's efforts related to its internal control over financial reporting.

The Audit Committee has received from PricewaterhouseCoopers LLP the written disclosures and the letter required by the applicable standards of the Public Company Accounting Oversight Board regarding communications with the Audit Committee concerning the independence of PricewaterhouseCoopers LLP and has discussed with PricewaterhouseCoopers LLP its independence. PricewaterhouseCoopers LLP advised the Committee that there were no disagreements with management regarding the preparation of the Company's financial statements or the conduct of the annual audit.

Based upon the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited financial statements for the year 2024 be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC. The Audit Committee also approved the engagement of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year 2025.

Audit Committee:
G. Thomas Waite, III, Chair
Jerry L. Johnson
William J. Slocum
Michael J. Thawley

Certain Transactions with Related Parties

The Company had no transactions with related parties during the fiscal year ended December 31, 2024 that would need to be disclosed pursuant to Item 404 of Regulation S-K. The Company prohibits conflict of interest activities, which includes related party transactions, by any director or officer, or persons related thereto, unless specifically approved in advance and in writing by the General Counsel, CEO, and/or the Audit Committee of the Board of Directors after full disclosure of all aspects of the activity. A conflict of interest is defined generally to include situations where a person (i) has a private interest that materially conflicts or interferes with the interests of the Company, (ii) has a material personal interest that will impair the person's ability to perform his or her work objectively and effectively, or (iii) derives a material personal benefit as a result of the person performing services for the Company. Among the other circumstances that may be considered conflicts of interest, any engagement in a personal business transaction involving the Company for profit or gain will be considered a conflict of interest requiring advance approval under the Code of Business Conduct. The Company's policy prohibiting conflict of interest activities is further described in the Code of Business Conduct.

CEO Pay Ratio

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and Item 402(u) of Regulation S-K, we are providing the following information about the relationship of the annual total compensation of our median employee and the annual total compensation of Mr. Karl McDonnell, our Chief Executive Officer (our "CEO").

For 2024, our last completed fiscal year:

- the annual total compensation of our median employee (other than our CEO) was \$62,861 including the estimated value of such employee's health and welfare benefits; and
- the annual total compensation of our CEO was \$5,508,734, including the estimated value of his health and welfare benefits.

Based on this information, for 2024 the ratio of the annual total compensation of Mr. McDonnell, our CEO, to the annual total compensation of our median employee was 88 to 1, which was determined as follows:

1. We determined that, as of December 31, 2024, our employee population consisted of approximately 6,488 individuals, with 4,667 located in the United States and 1,821 located in other countries. This population consisted of our full-time faculty, full-time non-faculty staff, part-time and adjunct

faculty at Capella University, casual staff (employees who are not guaranteed work, and there is no expectation that there will be work at any given time) at ANZ active during 2024, and Federal Work Study employees at Capella University. For the employees located outside of the United States, compensation was converted to USD\$ based on the average exchange rate for 2024.

- a. We did not include adjunct (and there are no part-time) faculty at Strayer University, because no such adjunct faculty were employed with us on December 31, 2024. Adjunct faculty at Strayer University provide services for a limited period of time during academic quarters, and no adjunct faculty were under contract on December 31, 2024.
2. To identify the “median employee” from our employee population, we compared the total compensation of our employees during 2024 as reflected in our payroll records.
 - a. In making this determination, we annualized the compensation of approximately 557 employees who were hired in 2024 but did not work for us for the entire fiscal year.
3. We identified our median employee using this compensation measure, which was consistently applied to all our employees included in the calculation. We did not make any cost-of-living adjustments in identifying the “median employee.”
4. Once we identified our median employee, we combined all of the elements of such employee’s compensation for 2024 in accordance with the requirements of Item 402(c)(2)(x) of Regulation S-K, plus the estimated value of the median employee’s health and welfare benefits (\$8,886), resulting in annual total compensation of \$62,861.
5. With respect to the annual total compensation of our CEO, we used the amount reported in the “Total” column of the “Summary Compensation Table” set forth above, plus the estimated value of the CEO’s health and welfare benefits (\$20,861).

Supplemental Ratio. As noted above, we did not include adjunct faculty at Strayer University in determining our median employee because no such adjunct faculty were employed with us on December 31, 2024. We believe it is appropriate to present a supplemental calculation using the same methodology as above except that it also excludes Capella University adjunct and part-time faculty, Federal Work Study employees, and casual employees at ANZ. Capella University adjunct and part-time faculty, and Federal Work Study employees, provide services for a limited period of time during academic quarters, but contracts are structured such that they were technically employed on December 31, 2024. In addition, casual employees at ANZ are on contract but are not guaranteed work or pay at any given time during the year, and may receive assignments of short duration. Excluding Capella adjunct and part-time faculty, Capella Federal Work Study employees, and casual staff at ANZ, our total employee population was 4,402, and the annual total compensation of our median employee (other than our CEO) was \$79,140, including the estimated value of such employee’s health and welfare benefits, resulting in a pay ratio calculation of 70 to 1.

Pay Versus Performance

In accordance with rules adopted by the SEC pursuant to Section 953(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the Company provides the following disclosure for its five most recent fiscal years. The Board and the Compensation Committee did not consider the pay versus performance disclosure below in making their pay decisions for any of the years presented. See “Compensation Discussion and Analysis” above for information about the decisions made by the Board and the Compensation Committee with respect to NEO compensation for the years discussed.

Year	Summary Compensation Table Total for PEO ⁽¹⁾	Compensation Actually Paid to PEO ⁽²⁾	Average Summary Compensation Table Total for Non-PEO NEOs ⁽³⁾	Average Compensation Actually Paid to Non-PEO NEOs ⁽⁴⁾	Value of Initial Fixed \$100 Investment Based On:			Company-Selected Measure: Revenue ⁽⁸⁾
					Total Shareholder Return ⁽⁵⁾	Peer Group Total Shareholder Return ⁽⁵⁾⁽⁶⁾	Net Income ⁽⁷⁾	
2024 . .	\$5,487,873	\$ 6,126,678	\$2,768,438	\$3,060,641	\$67.79	\$180.45	\$112,684,000	\$1,220,907,000
2023 . .	\$5,417,738	\$ 8,182,401	\$2,712,155	\$3,858,985	\$65.48	\$121.40	\$ 69,791,000	\$1,143,861,000
2022 . .	\$5,468,805	\$10,041,112	\$2,810,650	\$4,730,500	\$53.93	\$ 89.49	\$ 46,670,000	\$1,073,853,000
2021 . .	\$6,197,825	\$ 1,252,419	\$2,442,544	\$ 596,087	\$38.41	\$ 93.71	\$ 55,087,000	\$1,132,123,000
2020 . .	\$4,613,413	\$(1,795,185)	\$2,282,923	\$(158,031)	\$61.22	\$117.69	\$ 86,268,000	\$1,004,272,000

- (1) In 2024, 2023, 2022, 2021, and 2020, the PEO was Karl McDonnell.
- (2) The tables below detail the components and amounts included in the “Compensation Actually Paid to PEO”.

Year	Total from Summary Compensation Table	Stock Awards Value from Summary Compensation Table	Incremental Equity Award Fair Value Adjustment ^(a)	Total
2024	\$5,487,873	\$(3,250,000)	\$ 3,888,805	\$ 6,126,678
2023	\$5,417,738	\$(3,250,000)	\$ 6,014,663	\$ 8,182,401
2022	\$5,468,805	\$(3,360,000)	\$ 7,932,307	\$10,041,112
2021	\$6,197,825	\$(5,000,000)	\$ 54,594	\$ 1,252,419
2020	\$4,613,413	\$(3,000,000)	\$(3,408,598)	\$(1,795,185)

- (a) Reflects an adjustment to the grant date fair value of equity-based awards as calculated in accordance with Item 402(v)(2)(iii)(C)(1) and consistent with the fair value methodology reflected in our financial statements for share-based payments.

The amounts deducted or added in calculating the equity award adjustments for the “Compensation Actually Paid to PEO” are as follows.

Year	Year end fair value of equity awards granted during the year	Year over year change in fair value of outstanding and unvested equity awards	Year over year change in fair value of equity awards granted in prior years that vested in the year	Value of dividends or other earnings paid on stock or option awards not otherwise reflected in fair value or total compensation	Total equity award adjustments
2024	\$3,193,936	\$ 164,778	\$ 71,403	\$458,688	\$ 3,888,805
2023	\$3,189,628	\$ 2,007,998	\$ 391,159	\$425,878	\$ 6,014,663
2022	\$5,257,857	\$ 2,358,006	\$(121,004)	\$437,448	\$ 7,932,307
2021	\$3,196,643	\$(3,480,609)	\$ (16,900)	\$355,460	\$ 54,594
2020	\$1,955,981	\$(5,765,290)	\$ 133,807	\$266,904	\$(3,408,598)

- (3) In 2024, 2023, 2022 and 2021, the Non-PEO NEOs were Robert S. Silberman, Daniel W. Jackson, Lizette B. Herraiz, and Christa E. Hokenson. In 2020, the Non-PEO NEOs were Robert S. Silberman, Daniel W. Jackson, Lizette B. Herraiz, and Andrew E. Watt.
- (4) The tables below detail the components and amounts included in the “Average Compensation Actually Paid to Non-PEO NEOs”.

Year	Total from Summary Compensation Table	Stock Awards Value from Summary Compensation Table	Incremental Equity Award Fair Value Adjustment ^(a)	Total
2024	\$2,768,438	\$(1,812,500)	\$ 2,104,703	\$3,060,641
2023	\$2,712,155	\$(1,800,000)	\$ 2,946,830	\$3,858,985
2022	\$2,810,650	\$(1,680,000)	\$ 3,599,850	\$4,730,500
2021	\$2,442,544	\$(1,750,000)	\$ (96,457)	\$ 596,087
2020	\$2,282,923	\$(1,350,000)	\$(1,090,954)	\$ (158,031)

(a) Reflects an adjustment to the grant date fair value of equity-based awards as calculated in accordance with Item 402(v)(2)(iii)(C)(1) and consistent with the fair value methodology reflected in our financial statements for share-based payments.

The amounts deducted or added in calculating the equity award adjustments for the “Average Compensation Actually Paid to Non-PEO NEOs” are as follows.

Year	Year end fair value of equity awards granted during the year	Year over year change in fair value of outstanding and unvested equity awards	Year over year change in fair value of equity awards granted in prior years that vested in the year	Value of dividends or other earnings paid on stock or option awards not otherwise reflected in fair value or total compensation	Total equity award adjustments
2024 . .	\$1,781,262	\$ 75,638	\$ 29,157	\$218,646	\$ 2,104,703
2023 . .	\$1,766,576	\$ 861,107	\$126,154	\$192,993	\$ 2,946,830
2022 . .	\$2,628,928	\$ 827,674	\$(35,578)	\$178,826	\$ 3,599,850
2021 . .	\$1,118,843	\$(1,344,711)	\$ (3,098)	\$132,509	\$ (96,457)
2020 . .	\$ 880,230	\$(2,078,089)	\$ 7,763	\$ 99,142	\$(1,090,954)

- (5) This column reflects cumulative Total Shareholder Return (“TSR”) for the trailing one- to five- year period from 2020 to 2024, as calculated in accordance with Item 402(v)(2)(iv) of Regulation S-K. Accordingly, TSR for 2020 reflects a one-year return, TSR for 2021 reflects a two-year cumulative return, etc. TSR for 2024 reflects a five-year cumulative return.
- (6) The Peer Group used in calculating these amounts is composed of Adtalem Global Education, Inc., Bright Horizons Family Solutions Inc., Chegg, Inc., Graham Holdings Company, Grand Canyon Education, Inc., John Wiley & Sons, Inc., Stride, Inc. (formerly K12, Inc.), Laureate Education, Inc., Pearson PLC, Perdoceo Education Corporation, and Udemy, Inc. The same peer group was used to create the Peer Group Performance Graph in Item 5 of the Company’s 2024 Annual Report on Form 10-K, in accordance with Item 201(e) of Regulation S-K.
- (7) Amounts in this column are rounded to the nearest thousand.
- (8) The revenue figures used to evaluate the achievement of non-equity compensation targets are based on adjusted results, which exclude purchase accounting adjustments to record acquired contract liabilities at fair value as a result of the Company’s acquisition of ANZ in 2020. For 2020, the revenue amount was further adjusted to exclude all post-acquisition revenue related to ANZ, as described in Annex 1. For 2021, 2022, 2023, and 2024 the revenue amount was further adjusted using a constant exchange rate of 0.74, 0.72, 0.69, and 0.66 Australian Dollars to U.S. Dollars, respectively. Amounts in this column are rounded to the nearest thousand.

As discussed above in “2024 Compensation Decisions,” in 2024, the Board of Directors set both quantitative financial objectives and strategic objectives for the Company. These Financial Performance Measures and Strategic Performance Measures, which the Compensation Committee and the Board use to link compensation of our named executive officers to company performance, are listed in the table below. In 2024, for purposes of the comparisons required by Item 402(v) of Regulation S-K, we have selected revenue as the “Company-Selected Measure.”

Financial Performance Measures

Revenue

Operating Income (EBIT)

Diluted Earnings Per Share

Strategic Performance Measures

Grow employer-affiliated enrollment at U.S. institutions

Maintain compliance with all regulatory, legal, and ethical business standards

Reallocate excess capital into the business or back to our stockholders

Comparison of Compensation Actually Paid To Revenue

Between December 31, 2020 and December 31, 2021, revenue, Compensation Actually Paid to the PEO, and Average Compensation Paid to Non-PEO NEOs all increased. Between December 31, 2021 and December 31, 2022, revenue declined, while the compensation measures increased. Between December 31, 2022 and December 31, 2023, revenue increased, while the compensation measures decreased. Between December 31, 2023 and December 31, 2024, revenue increased, while the compensation measures decreased.

Comparison of Compensation Actually Paid To Net Income

Between December 31, 2020 and December 31, 2021, net income decreased and both Compensation Actually Paid to the PEO and Average Compensation Paid to Non-PEO NEOs increased. Between December 31, 2021 and December 31, 2022, net income declined, while the compensation measures increased. Between December 31, 2022 and December 31, 2023, net income increased, while the compensation measures decreased. Between December 31, 2023 and December 31, 2024, net income increased, while the compensation measures decreased.

Comparison of Compensation Actually Paid To SEI TSR

Between December 31, 2020 and December 31, 2021, the Company’s TSR decreased and both Compensation Actually Paid to the PEO and Average Compensation Paid to Non-PEO NEOs increased. Between December 31, 2021 and December 31, 2022, all three numbers increased. Between December 31, 2022 and December 31, 2023, TSR increased, while the compensation measures decreased. Between December 31, 2023 and December 31, 2024, TSR increased, while the compensation measures decreased.

Comparison of Company TSR to Peer Group TSR

In 2020, the Company’s TSR decreased, while the Peer Group TSR increased. In 2021, both the Company’s TSR and the Peer Group TSR decreased. In 2022, the Company’s TSR increased and the Peer Group TSR decreased. In 2023, the Company’s TSR and the Peer Group TSR both increased. In 2024, the Company’s TSR and the Peer Group TSR both increased.

PROPOSAL 2

Ratification of Appointment of Independent Registered Public Accounting Firm

The Audit Committee and the Board of Directors have appointed Deloitte & Touche LLP (“Deloitte”) to serve as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2025. PricewaterhouseCoopers LLP (“PwC”) and its predecessors acted as our independent registered public accounting firm from 1993 through the fiscal year ended on December 31, 2024. Representatives of Deloitte are expected to be present at the Annual Meeting and will have an opportunity to make a statement if they so desire.

Changes in Certifying Accountant

On February 25, 2025, the Audit Committee approved the dismissal of PwC as the Company’s independent registered public accounting firm. PwC was dismissed on February 27, 2025. The reports of PwC on the consolidated financial statements of the Company and its subsidiaries as of and for the fiscal years ended December 31, 2024 and 2023 did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principles.

During the Company’s fiscal years ended December 31, 2024 and 2023, and in the subsequent interim period through February 27, 2025, there were: (i) no disagreements within the meaning of Item 304(a)(1)(iv) of Regulation S-K between the Company and PwC on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, any of which, if not resolved to PwC’s satisfaction, would have caused PwC to make reference thereto in their reports, and (ii) no “reportable events” within the meaning of Item 304(a)(1)(v) of Regulation S-K.

We previously provided PwC with a copy of the above disclosures as included in our Form 8-K filed with the SEC on March 3, 2025, and requested PwC to furnish us with a letter addressed to the SEC stating whether PwC agreed with the statements made by us in response to Item 304(a) of Regulation S-K and, if not, stating the respects in which it does not agree. A copy of PwC’s letter, dated March 3, 2025, was attached as Exhibit 16.1 to that Form 8-K.

On February 25, 2025, the Audit Committee approved the engagement of Deloitte as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2025, subject to Deloitte’s standard client acceptance procedures and execution of an engagement letter. During the Company’s fiscal years ended December 31, 2024 and 2023, and in the subsequent interim period through February 27, 2025, neither the Company nor anyone acting on its behalf consulted with Deloitte regarding: (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of audit opinion that might be rendered on the Company’s financial statements, and neither a written report nor oral advice was provided to the Company that Deloitte concluded was an important factor considered by the Company in reaching a decision as to any accounting, auditing, or financial reporting issue, (ii) any matter that was the subject of a disagreement within the meaning of Item 304(a)(1)(iv) of Regulation S-K, or (iii) any “reportable event” within the meaning of Item 304(a)(1)(v) of Regulation S-K.

Principal Accounting Fees and Services

Set forth below are the services rendered and related fees billed by PricewaterhouseCoopers LLP for 2023 and 2024:

	<u>2023⁽⁵⁾</u>	<u>2024</u>
Audit fees ⁽¹⁾	2,565,000	2,687,000
Audit-related fees ⁽²⁾	60,000	90,000
Tax fees ⁽³⁾	133,000	102,000
All other fees ⁽⁴⁾	<u>2,000</u>	<u>2,000</u>
Total fees	<u><u>2,760,000</u></u>	<u><u>2,881,000</u></u>

- (1) Audit fees include fees for the annual audit of the consolidated financial statements, quarterly reviews of our interim financial statements, SEC registration statements, and other filings.
- (2) Audit-related fees relate to audit services provided for new system implementations.
- (3) Tax fees relate to professional services for tax compliance, advice, and planning services.
- (4) All other fees consisted of non-audit and accounting research services.
- (5) Fees from 2023 are higher than disclosed in the Company's 2024 proxy statement because the Company was informed of additional audit fees after it was filed.

It is the Audit Committee's policy to pre-approve all audit and non-audit related services provided by the Company's independent registered public accounting firm. All of the services described above were pre-approved by the Company's Audit Committee.

Although stockholder ratification of the appointment of auditors is not required as a technical matter, the appointment of Deloitte is being submitted for ratification as a matter of good corporate practice in order that the Audit Committee may take into consideration the views of stockholders on this matter. The ratification of the appointment of Deloitte requires the approval of a majority of the votes cast at the Annual Meeting.

The Board of Directors recommends a vote for the proposal to ratify the appointment of Deloitte & Touche LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2025.

PROPOSAL 3

Advisory Vote on the Compensation of the Named Executive Officers

This proposal, commonly known as a “Say on Pay” proposal, allows our stockholders to express their opinions regarding the decisions of the Compensation Committee on the prior year’s annual compensation to the Company’s named executive officers. Stockholders vote, on an advisory basis, to approve, reject or abstain from the compensation of our named executive officers. This vote does not address any specific item of compensation, but rather the overall compensation of our named executive officers and our compensation philosophy, policies and practices, as disclosed in this proxy statement.

As discussed in the Compensation Discussion and Analysis section of this proxy statement, the objectives of our compensation program are, among other things:

- To ensure compliance with applicable regulatory, legal and ethical business standards,
- To encourage officers and directors to think like owners and align their interests accordingly,
- To attract and retain highly qualified and productive individuals, and
- To reward superior contribution to the long-term performance of the Company.

Your advisory vote will serve as an additional tool to guide the Board of Directors and the Compensation Committee in continuing to align the Company’s executive compensation with the best interests of the Company and its stockholders.

The affirmative vote of a majority of votes cast at the Annual Meeting is required for approval of this proposal. This proposal will be presented at the Annual Meeting as a resolution in substantially the following form:

RESOLVED, that the compensation paid to the Company’s named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby APPROVED.

Although the final vote is advisory in nature and therefore is not binding on us, does not affect past executive compensation, and creates no additional fiduciary obligations, the Board and Compensation Committee intend to consider carefully the voting results of this proposal when making future compensation decisions for our named executive officers.

The Board of Directors believes that our compensation program achieves our objectives outlined above, and therefore recommends a vote “for” this proposal.

PROPOSAL 4

Approval of the Second Amendment to the Strategic Education, Inc. 2018 Equity Compensation Plan

The stockholders are being asked to consider and vote on a proposal to approve the Second Amendment to the Strategic Education, Inc. 2018 Equity Compensation Plan, which we refer to as the “2018 Plan,” to increase the total number of shares of common stock issuable under the 2018 Plan by 700,000 shares.

You are urged to read this entire proposal and the Second Amendment to the 2018 Plan, which is attached as Exhibit A to this proxy statement, as well as the complete text of the 2018 Plan, which is attached as Exhibit B to this proxy statement. We believe that the Second Amendment to the 2018 Plan is necessary to be able to continue to recruit, motivate, and retain key employees critical to the Company’s long-term success and to align management with stockholders, and therefore we believe that this proposal is in the best interests of our stockholders.

On February 26, 2025, upon the recommendation of the Compensation Committee, the Board of Directors approved the Second Amendment to the 2018 Plan, subject to stockholder approval at this Annual Meeting. If approved by stockholders at the Annual Meeting, the Second Amendment to the 2018 Plan will be effective as of the date of the Annual Meeting.

Equity-based compensation is an essential component of our overall executive compensation program. It enables the Company to continue to attract, motivate, and retain the key talent required to maintain the Company’s success, long-term growth, and profitability, and to deliver enduring shareholder value. In recommending and approving the Second Amendment, the Compensation Committee and the Board of Directors took numerous factors into account, including: the Company’s historical burn rate; the number of shares remaining available under the 2018 Plan for future awards; the number of outstanding stock options and unvested restricted shares; objectives and expected requirements of our executive compensation program (considered relative to companies in our peer group); and potential dilution resulting from an increase in authorized shares.

Approval of the Second Amendment to the 2018 Plan would allow the Compensation Committee to continue approving awards to participants as it deems appropriate. The 266,010 shares currently available for future grant under the 2018 Plan represents approximately 1.1% of the Company’s outstanding shares on a fully diluted basis. Approval of the Second Amendment to the 2018 Plan would result in the Company having 966,010 shares available for future grants under the 2018 Plan, representing approximately 3.9% of the Company’s outstanding shares on a fully diluted basis. We expect the number of shares that would be available for future awards following the adoption of the Second Amendment to the 2018 Plan to be sufficient for a period of approximately three years. We believe this represents a reasonable amount of potential equity dilution, which will allow us to continue granting equity awards, which is an essential component of our executive compensation program.

If stockholders do not approve the Second Amendment to the 2018 Plan, the 2018 Plan will remain in effect in accordance with its terms. Equity-based compensation grants will continue to be made to employees, directors, and officers of the Company and its subsidiaries pursuant to the 2018 Plan to the extent of the shares of stock available for issuance. However, if stockholders do not approve the Second Amendment to the 2018 Plan, eventually there will be insufficient shares available to grant new awards under the 2018 Plan. In this event, the Compensation Committee would be required to adjust our executive compensation to formulate alternate, cash-based, programs to attract, motivate, and retain the key talent required to assure the Company’s long-term success.

If the Second Amendment to the 2018 Plan is approved by stockholders, we intend to file with the SEC a registration statement on Form S-8, as soon as reasonably practicable after the approval, to register the additional shares that would be available for issuance under the 2018 Plan.

Required Vote

The affirmative vote of a majority of votes cast at the Annual Meeting is required to approve the Second Amendment to the 2018 Plan.

Board Recommendation

The Board of Directors believes that the Second Amendment to the 2018 Plan will enable us to continue to grant awards under the 2018 Plan and therefore continue to recruit, motivate, and retain key employees critical to our success. The Board of Directors therefore recommends a vote “for” this proposal.

Key Features of the 2018 Plan as amended by the Second Amendment

As described below, the 2018 Plan, as amended by the Second Amendment, generally provides for:

- the granting of options or stock appreciation rights only at an exercise price at least equal to fair market value on the grant date;
- a ten-year maximum term for options and stock appreciation rights, or an earlier date as may be fixed by the Committee and stated in the Award Agreement relating to an option or stock appreciation right;
- minimum vesting conditions on all but a *de minimis* amount of awards;
- no vesting in dividends or dividend equivalent rights paid on performance-based awards unless the underlying awards vest;
- no repricing of options or stock appreciation rights without stockholder approval;
- no recycling of shares when shares are deducted or delivered from payment of an award in connection with the Company’s tax withholding obligations; and
- no reload or “evergreen” share replenishment features.

Summary of Material Terms of the 2018 Plan, as amended by the Second Amendment

The following summary of the material terms of the 2018 Plan, as amended by the Second Amendment, is qualified in its entirety by reference to the complete text of the 2018 Plan, which is attached as Exhibit B to this Proxy Statement, and the Second Amendment, which is attached as Exhibit A, each of which is incorporated by reference into this proposal. You are urged to read this proposal and the text of the 2018 Plan and the Second Amendment in their entirety. For purposes of this summary, the 2018 Plan shall refer to the 2018 Plan as amended by the Second Amendment.

Unless the context requires otherwise, references to the “Company” in the following summary refer solely to the Company and not to subsidiaries of the Company.

Purpose. The 2018 Plan is intended to provide (i) incentive to eligible persons to stimulate their efforts toward the success of the Company and to operate and manage its business in a manner that will provide for the long-term growth and profitability of the Company and that will benefit the stockholders and other important stakeholders of the Company, including its employees and customers; and (ii) a means of recruiting, rewarding and retaining key personnel.

Eligible Participants. Awards may be granted under the 2018 Plan to employees, officers, directors of the Company or its affiliates, or consultants or advisers (who are natural persons) currently providing direct services to the Company or its affiliates or any other individual whose participation in the 2018 Plan is determined to be in the best interests of the Company. As of the date hereof, the Company employs approximately 3,800 full-time employees, including approximately 75 Vice Presidents and senior executives, and approximately 2,700 adjunct faculty, although not all of them teach each quarter, all of whom are eligible to receive grants under the 2018 Plan. In addition, the eleven non-employee directors of the Company or any of its subsidiaries or other affiliates are eligible to participate in the 2018 Plan. However, in relation to employee grants, the Company’s policy is to award equity grants only to employees in senior level positions.

The Company’s named executive officers and directors have an interest in this proposal due to their participation in the 2018 Plan. The Summary Compensation Table and the Grants of Plan-Based Awards Table set forth information with respect to equity awards previously granted to our named executive officers

under the 2018 Plan. Additionally, please see “Director Compensation” for a description of our non-employee director compensation program and equity awards granted to our non-employee directors under the 2018 Plan.

Amendment Effective Date. The Second Amendment to the 2018 Plan will become effective as of the date of the Annual Meeting (the “Effective Date”), subject to stockholder approval of the Second Amendment to the 2018 Plan.

Term. The 2018 Plan will terminate automatically ten years after the Original Effective Date of the 2018 Plan (i.e., November 6, 2018), unless it is earlier terminated by the Board of Directors.

Administration. The 2018 Plan generally will be administered by the Compensation Committee of the Board of Directors (the “Committee”), consisting of two or more directors of the Company. Each director will be required to qualify as an “independent director” under the Nasdaq Stock Market listing rules and a “non-employee director” within the meaning of Rule 16b-3 under the Securities Exchange Act. The Committee initially will be the Compensation Committee and may be a subcommittee of the Compensation Committee that satisfies the foregoing requirements. The Committee may delegate to a designated officer the power and authority to grant awards to nonexecutive employees. In addition, for purposes of any award granted under the 2018 Plan that is intended to constitute “qualified performance-based compensation” under Section 162(m) of the Code, each member of the Committee will also be an “outside director” within the meaning of Section 162(m) of the Code.

The Board will retain the authority under the 2018 Plan to exercise any or all of the powers and authorities related to the administration and implementation of the 2018 Plan. Except where the authority to act on such matters is specifically reserved to the Board under the 2018 Plan or applicable law, the Committee and each other committee acting in accordance with the foregoing plan provisions (which will be the “Committee” as defined in the 2018 Plan) will have full power and authority to interpret and construe all terms of the 2018 Plan, any award or any award agreement, and to make all related determinations, including the power and authority to designate grantees of awards; determine the type or types of awards to be made to a grantee; determine the number of shares of stock or amount of cash subject to an award; establish the terms and conditions of each award and any terms or conditions that may be necessary to qualify options and incentive stock options; prescribe the form of each award agreement; subject to limitations in the 2018 Plan (including the prohibition on repricing of options and stock appreciation rights without stockholder approval), amend, modify or supplement the terms of any outstanding award; and make substitute awards.

Amendment and Termination. The Board will be authorized to amend, suspend or terminate the 2018 Plan as to any shares of stock as to which awards have not been made. Any amendment to the 2018 Plan, however, will be subject to receipt of the approval of the Company’s stockholders if stockholder approval of the amendment is required by any law or regulation or the listing rules of the Nasdaq Stock Market (or any other stock exchange on which the shares of stock are listed in the future), or to the extent determined by the Board. Stockholder approval will be required for any proposed amendment to the 2018 Plan provisions, described below, that generally require the exercise price of any such award to be at least equal to the fair market value of the shares of stock on the grant date.

Awards. The following types of awards may be made under the 2018 Plan, subject to the limitations set forth in the plan: options, which may be either incentive stock options or nonqualified stock options; stock appreciation rights or “SARs”; restricted stock; deferred stock units; unrestricted stock; stock units; dividend equivalent rights; performance-based awards; annual cash profit shares; other equity-based awards; or cash.

An incentive stock option is an option that meets the requirements of Section 422 of the Code, and a nonqualified stock option is an option that does not meet those requirements. Restricted stock are shares of stock on which are imposed vesting restrictions that subject the shares to a substantial risk of forfeiture, as defined in Section 83 of the Code. A stock unit or deferred share unit is an award that represents a conditional right to receive shares of stock in the future and that may be made subject to the same types of restrictions and risk of forfeiture as restricted stock. Performance based awards are awards of options, restricted stock, stock units, deferred stock units, SARs or cash made subject to the achievement of one or more pre-established performance goals over a performance period established by the Committee. An award of

performance shares is a performance-based award representing a right or interest denominated or payable in shares of stock, valued by reference to the shares of stock, or otherwise based on or related to shares of stock that is made subject to the achievement of one or more pre-established performance goals over a performance period of up to ten years. Dividend equivalent rights are awards entitling the grantee to receive cash, shares, other awards under the 2018 Plan or other property equal in value to dividends or other periodic payments paid or made with respect to a specified number of shares of stock. A SAR is a right to receive upon exercise, in the form of shares of stock, cash or a combination of shares of stock and cash, the excess of the fair market value of one share of stock on the exercise date over the strike price of the SAR. Unrestricted stock are shares of stock that are free of restrictions other than those imposed under federal or state securities laws.

The 2018 Plan provides that each award will be evidenced by an award agreement, which may specify terms and conditions of the award that differ from the terms and conditions that would otherwise apply under the 2018 Plan in the absence of the different terms and conditions in the award agreement.

Awards under the 2018 Plan may be granted alone or in addition to, in tandem with, or in substitution or exchange for any other award under the 2018 Plan, other awards under another compensatory plan of the Company or any of its affiliates (or any business entity that has been a party to a transaction to the Company or any of the Company's affiliates), or other rights to payment from the Company or any of its affiliates. Awards granted in addition to or in tandem with other awards may be granted either at the same time or at different times.

Awards under the 2018 Plan that are granted to individuals who are not non-employee directors may not vest in full prior to the third anniversary of the grant date or vest in part prior to the first anniversary of the grant date, unless the Committee determines to accelerate vesting upon the occurrence of a specific event, such as a termination of a grantee's employment or change in control or other corporate transaction; provided, that up to five percent of the maximum number of shares available for issuance to individuals who are not non-employee directors under the 2018 Plan may be granted without being subject to these minimum vesting restrictions. In addition, any dividends or dividend equivalent rights issued in connection with any award granted under the 2018 Plan will not be subject to or counted for the five percent limit.

The Committee may permit or require the deferral of any payment pursuant to any award into a deferred compensation arrangement, which may include provisions for the payment or crediting of interest or dividend equivalent rights, in accordance with rules and procedures established by the Committee. Awards under the 2018 Plan generally will be granted for no consideration other than past services by the grantee of the award or, if provided for in the award agreement or in a separate agreement, the grantee's promise to perform future services to the Company or one of its subsidiaries or other affiliates.

Performance Measures. The 2018 Plan authorizes the grant of awards subject in whole or in part to pre-established performance-based vesting conditions. The Committee may, pursuant to the 2018 Plan, establish performance goals based on any one or more of the following performance measures, including, but not limited to, net earnings or net income; operating earnings; pretax earnings; earnings per share of stock; total stockholder return; earnings before interest and taxes; earnings before interest, taxes, depreciation and/or amortization; earnings before interest, taxes, depreciation, and/or amortization as adjusted to exclude any one or more of the following: stock-based compensation expense; income from discontinued operations; gain on cancellation of debt; debt extinguishment and related costs; restructuring, separation, and/or integration charges and costs; reorganization and/or recapitalization charges and costs; impairment charges; merger-related events; gain or loss related to investments; sales and use tax settlements; and gain on non-monetary transactions; revenue growth or targets; gross or operating margins; return measures, including return on assets, capital or investment; cash flow, including: operating cash flow; free cash flow; levered free cash flow; cash flow return on equity; and cash flow return on investment; productivity ratios; costs, reductions in costs, and cost control measures; expense targets; working capital targets; completion of acquisitions of businesses or companies; development of new lines of business or substantially expanding existing lines of business; completion of divestitures and asset sales; employee hiring, retention, and diversity; employee or customer satisfaction measurements; execution of contractual arrangements or satisfaction of contractual requirements or milestones; ratio of debt to stockholders' equity; new campuses opened; regulatory approvals to operate in new states; maintenance of regional accreditation; compliance with Title IV regulations; sound financial, budgeting and operational practices; faculty hiring and development; curriculum and degree

program development; student academic performance; information systems and technology; recruitment of foreign students; corporate partnerships and community college relations; any combination of any of the foregoing business criteria; and any other performance measures that the Committee determines.

Performance under any of the foregoing performance measures may be used to measure the performance of (i) the Company and its subsidiaries and other affiliates as a whole; (ii) the Company, any subsidiary, and/or any other affiliate or any combination thereof; or (iii) any one or more business units of the Company, any subsidiary, and/or any other affiliate, as the Committee deems appropriate. In addition, performance under any of the performance measures may be compared to the performance of one or more other companies or one or more published or special indices designated or approved by the Committee. The Committee may select performance under the performance measure of share price for comparison to performance under one or more stock market indices designated or approved by the Committee. The Committee will have the authority to provide for accelerated vesting of any performance-based award based on the achievement of performance goals pursuant to the performance measures. The Committee will establish the performance period, of up to ten (10) years, for performance-based awards. The Committee will have the discretion to adjust awards that are intended to qualify as performance-based compensation, either on a formula or discretionary basis, or on any combination thereof, as the Committee determines. The 2018 Plan identifies some conditions that the Committee may include or exclude in any evaluation or performance during a performance period. Such conditions may include the following: asset write-downs; litigation or claims, judgments or settlements; the effect of changes in tax laws, accounting principles or other laws or provisions affecting reported results; any reorganization or restructuring events or programs; extraordinary, non-core, non-operating or non-recurring items; acquisitions or divestitures; foreign exchange gains and losses; impact of shares of stock purchased through repurchase programs; tax valuation allowance reversals; impairment expense; and environmental expense.

Clawback; Forfeiture. Any award granted under the 2018 Plan will be subject to mandatory repayment by the grantee to the Company to the extent the grantee is, or in the future becomes, subject to any Company clawback or recoupment policy or any law, rule or regulation that imposes mandatory recoupment.

In addition, the Committee may reserve the right in an award agreement to cause a forfeiture of the gain realized by a grantee with respect to an award on account of actions taken by, or failed to be taken by, such grantee in violation or breach of, or in conflict with, any employment agreement, non-competition agreement, agreement prohibiting solicitation of employees or clients of the Company or any affiliate, confidentiality obligation with respect to the Company or any affiliate, Company or affiliate policy or procedure, other agreement or any other obligation of the grantee to the Company or any affiliate, to the extent specified in such award agreement. The Committee may annul an outstanding vested award if the grantee is an employee and is terminated for “Cause” as defined in the 2018 Plan or the applicable award agreement or for “cause” as defined in any other agreement between the Company or any affiliate and the grantee, as applicable.

Shares Available for Issuance. Subject to adjustment as provided in the 2018 Plan, if the Second Amendment to the 2018 Plan is approved, the maximum number of shares of stock that will be available for issuance under the 2018 Plan will equal the sum of (i) seven hundred thousand (700,000) shares, plus (ii) the number of shares available for future awards under the 2018 Plan as of the Effective Date including after the operation of the First Amendment to the 2018 Plan, plus (iii) the number of shares related to awards outstanding under the 2018 Plan as of the Effective Date that thereafter terminate by expiration or forfeiture, cancellation, or otherwise without the issuance of such shares.

The foregoing number of shares of stock available for issuance under the 2018 Plan will be increased by the number of shares of stock subject to (i) awards previously granted under a compensatory plan by another business entity and assumed by the Company in connection with a merger, reorganization, separation or other transaction which involves the other business entity and to which Section 424(a) of the Code applies, and (ii) awards under the 2018 Plan granted in substitution for such assumed awards. Further, subject to applicable Nasdaq Stock Market listing rules, shares available for issuance under a stockholder-approved plan of a business entity that is a party to one of the foregoing types of transactions (adjusted as necessary to reflect the transaction) may be used for awards under the 2018 Plan and will not reduce the number of shares otherwise available for issuance under the 2018 Plan.

Shares subject to an award granted under the 2018 Plan will be counted against the maximum number of shares of stock available for issuance under the plan as one share for every one share of stock subject to such an award. Shares subject to an award granted under the 2018 Plan will again become available for issuance under the 2018 Plan if the award terminates by expiration, forfeiture, cancellation, or otherwise without the issuance of such shares (except as set forth below).

The number of shares available for issuance under the 2018 Plan will not be increased by the number of shares tendered or withheld or subject to an award (i) surrendered in connection with the purchase of shares upon exercise of an option; (ii) deducted or delivered from payment of an award in connection with the Company's tax withholding obligations; (iii) purchased by the Company with proceeds from option exercises; or (iv) subject to a SAR that is settled in shares of stock that were not issued upon the net settlement of the SAR.

The 2018 Plan contains limitations on the number of shares available for issuance with respect to specified types of awards. During any time when the Company has a class of equity securities registered under Section 12 of the Securities Exchange Act: the maximum number of shares of stock subject to options or SARs that may be granted under the 2018 Plan in a calendar year to any person eligible for an award will be 110,000 shares, provided that the maximum number of shares subject to options or SARs that may be granted under the 2018 Plan to any person eligible for an award in the year the person is first employed by the Company is 220,000 shares; the maximum number of shares of stock that may be granted under the 2018 Plan, other than pursuant to stock options or SARs, in a calendar year to any person eligible for an award will be 110,000 shares, provided that the maximum number of shares subject to award other than options or SARs that may be granted under the 2018 Plan to any person eligible for an award in the year the person is first employed by the Company is 220,000 shares; the maximum amount that may be granted as an annual cash profit share (whether or not cash-settled) to any person eligible for an award will be \$5,500,000 in a calendar year and the maximum amount that may be paid as a cash-denominated performance award for a performance period greater than one-year to any person eligible for an award will be \$22,000,000 in a calendar year, and the maximum grant date fair value of any award that may be granted to non-employee directors is \$750,000.

The maximum number of shares of stock available for issuance pursuant to incentive stock options granted under the 2018 Plan will be the same as the number of shares of stock available for issuance under the 2018 Plan.

The number and kinds of shares for which awards may be made under the 2018 Plan, including the share limits described above, will be adjusted proportionately and accordingly by the Committee if the number of outstanding shares of stock is increased or decreased or the shares of stock are changed into or exchanged for a different number of shares or kind of capital stock or other securities of the Company on account of any recapitalization, reclassification, stock split, reverse stock split, spin-off, combination of stock, exchange of stock, stock dividend or other distribution payable in capital stock, or other increase or decrease in shares of stock effected without receipt of consideration by the Company.

Shares of stock to be issued under the 2018 Plan will be authorized and unissued shares or, to the extent permitted under applicable laws, treasury shares.

On March 3, 2025, the closing price of a share of stock as reported on the Nasdaq Stock Market was \$81.21 per share.

Fair Market Value Determination. Generally, for so long as the shares of stock remain listed on the Nasdaq Stock Market, the fair market value of a share of stock on an award grant date, or on any other date for which fair market value is required to be established under the 2018 Plan, will be the closing price of the shares of stock as reported on the Nasdaq Stock Market on such date. If there is no reported closing price on such date, the fair market value of the shares of stock will be the closing price of the shares of stock on the next preceding date on which any sale of shares of stock will have been reported on the Nasdaq Stock Market.

If the shares of stock cease to be listed on the Nasdaq Stock Market and are listed on another established national or regional stock exchange or traded on another established securities market, fair

market value will generally similarly be determined by reference to the closing price of the shares of stock on the applicable date as reported on such other stock exchange or established securities market.

If the shares of stock cease to be listed on the Nasdaq Stock Market or another established national or regional stock exchange or traded on another established securities market, the Committee will determine the fair market value of the shares of stock by the reasonable application of a reasonable valuation method, in a manner consistent with Section 409A of the Code.

Stock options. An option granted under the 2018 Plan will be exercisable only to the extent that it is vested. Each option will become vested and exercisable at such times and under such conditions as the Committee may approve consistent with the terms of the 2018 Plan. No option may be exercisable more than ten years after the option grant date, or five years after the option grant date in the case of an incentive stock option granted to a Ten Percent Stockholder (as defined in the 2018 Plan). The Committee may include in the option agreement provisions specifying the period during which an option may be exercised following termination of the grantee's service.

The exercise price per share of each option granted under the 2018 Plan may not be less than 100%, or 110% in the case of an incentive stock option granted to a Ten Percent Stockholder, of the fair market value of a share of stock on the option grant date, except in the case of an option granted upon assumption of, or in substitution for, outstanding awards previously granted under a compensatory plan by a business entity acquired or to be acquired by the Company or an affiliate or with which the Company or an affiliate has combined or will combine.

The aggregate fair market value of shares of stock determined on the option grant date with respect to which incentive stock options are exercisable for the first time during any calendar year may not exceed \$100,000.

Except in connection with a corporate transaction involving the Company (including, without limitation, any stock dividend, distribution (whether in the form of cash, shares of stock, other securities or other property), stock split, extraordinary cash dividend, recapitalization, Change in Control, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares of stock or other securities or similar transaction), the Company may not, without stockholder approval: (i) amend the terms of outstanding options to reduce the exercise price of such outstanding option; (ii) cancel outstanding options in exchange for or substitution of options with an exercise price that is less than the exercise price of the original options; or (iii) cancel outstanding options with an exercise price above the current fair market value in exchange for cash or other securities, in each case, unless such action would not be deemed to be a repricing under the rules of any stock exchange or securities market on which the stock is listed or publicly traded.

Payment of the exercise price for shares purchased upon the exercise of an option may be made in cash or cash equivalents acceptable to the Company, and in such forms as are approved by the Committee, including shares of stock and net issuance.

Options will be nontransferable, except for transfers by will or the laws of descent and distribution. The Committee may determine that all or part of a nonqualified stock option may be transferred to certain family members of the grantee by gift or other transfers deemed "not for value."

Restricted Stock, Stock Units and Deferred Stock Units. Subject to the provisions of the 2018 Plan, the Committee will determine the terms and conditions of each award of restricted stock, stock units and deferred stock units, including the restricted period for all or a portion of the award, the restrictions applicable to the award and the purchase price, if any, for the stock subject to the award. A grantee of restricted stock will have all the rights of a stockholder, including the right to vote the shares and receive dividends, except to the extent limited by the Committee. Grantees of stock units and deferred stock units will have no voting or dividend rights or other rights associated with share ownership, although the Committee may award dividend equivalent rights on such units.

The Committee may subject dividends and dividend equivalent rights paid on time-vested awards of restricted stock, stock units and deferred stock units to such forfeiture and repayment obligations if the

underlying awards are forfeited before they vest. Grantees will be required to forfeit and repay to the Company any dividends and dividend equivalent rights paid if the underlying awards do not vest.

Restricted stock, stock units, and deferred stock units may vest solely by the passage of time and/or pursuant to achievement of performance goals. The restrictions and the restricted period may differ with respect to each grantee of an award of restricted stock, stock units or deferred stock units. An award will be subject to forfeiture if events specified by the Committee occur before the lapse of the restrictions. Awards of restricted stock, stock units, and deferred stock units will be nontransferable during the restricted period or before satisfaction of any other restrictions applicable to the awards.

Dividend Equivalent Rights. The Committee will be authorized to grant rights to dividend equivalents to a grantee in connection with an award under the 2018 Plan, or without regard to any other award, except that no dividend equivalent right may be granted in connection with, or related to an option or SAR. Dividend equivalent rights will entitle the grantee to receive cash, shares of stock, other awards or other property equal in value to dividends or other period payments paid or made with respect to a specified number of shares of stock. The terms and conditions of awards of dividend equivalent rights will be specified in the applicable award agreement.

Dividend equivalents credited to the holder of a dividend equivalent right may be paid currently (with or without being subject to forfeiture or a repayment obligation) or may be deemed to be reinvested in additional shares of stock, which may thereafter accrue additional dividend equivalent rights (with or without being subject to forfeiture or a repayment obligation). Any such reinvestment will be at the fair market value of the shares of stock on the reinvestment date. Dividend equivalent rights may be settled in cash or shares of stock or a combination thereof, in a single installment or in multiple installments, as determined by the Committee.

A dividend equivalent right granted as a component of another award may provide that the dividend equivalent right will be settled upon exercise, settlement, or payment of, or lapse of restrictions on, the other award, and that the dividend equivalent right will expire or be forfeited or annulled under the same conditions as the other award. A dividend equivalent right granted as a component of another award also may contain terms and conditions that are different from the terms and conditions of the other award, except that dividend equivalent rights credited pursuant to a dividend equivalent right granted as a component of another award that vests or is earned based upon the achievement of performance goals may not vest unless the performance goals for the underlying award are achieved and the underlying award vests.

Dividend equivalents will be nontransferable except for transfers by will or the laws of descent and distribution.

Performance Shares, Annual Cash Profit Shares, and Other Performance-Based Awards.

The Committee may award performance shares, annual cash profit shares, and other performance-based awards in such amounts and upon such terms as the Committee may determine. Each grant of a performance-based award will have an initial cash value or an actual or target number of shares of stock that is established by the Committee at the time of grant. The Committee may set performance goals in its discretion that, depending on the extent to which they are met, will determine the value and/or number of performance shares or other performance-based awards that will be paid out to a grantee. The performance goals generally will be based on one or more of the performance measures described above. The Committee will establish the performance periods for performance-based awards.

Performance-based awards may be payable in cash or shares of stock, or a combination thereof, as determined by the Committee.

Stock Appreciation Rights.

SARs may be granted in conjunction with all or a part of any option or other award granted under the 2018 Plan, or without regard to any option or other award. The Committee will determine at the SAR grant date or thereafter the time or times at which and the circumstances under which a SAR may be exercised in whole or in part, the time or times at which and the circumstances under which a SAR will cease to be

exercisable, the method of exercise, the method of settlement, the form of consideration payable in settlement, the method by which shares will be delivered or deemed delivered to grantees, and any other terms or conditions of any SAR.

Exercisability of SARs may be subject to future service requirements, to the achievement of one or more of the performance measures described above or to such other terms and conditions as the Committee may impose.

Upon exercise of a SAR, the holder will be entitled to receive, in the specified form of consideration, the excess of the fair market value of one share of stock on the exercise date over the strike price of the SAR, as determined by the Committee. The strike price of a SAR may not be less than the fair market value of a share of stock on the grant date.

Except in connection with a corporate transaction involving the Company (including, without limitation, any stock dividend, distribution (whether in the form of cash, shares of stock, other securities or other property), share split, extraordinary cash dividend, recapitalization, Change in Control, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares of stock or other securities or similar transaction), the Company may not, without stockholder approval: (i) amend the terms of outstanding SARs to reduce the SAR exercise price of such outstanding SARs; (ii) cancel outstanding SARs in exchange for or substitution of SARs with an exercise price that is less than the exercise price of the original SARs; or (iii) cancel outstanding SARs with an exercise price above the current fair market value in exchange for cash or other securities, in each case, unless such action would not be deemed to be a repricing under the rules of any stock exchange or securities market on which the stock is listed or publicly traded.

SARs will be nontransferable, except for transfers by will or the laws of descent and distribution. The Committee may determine that all or part of a SAR may be transferred to certain family members of the grantee by gift or other transfers deemed “not for value.”

Effect of Certain Corporate Transactions; Adjustments for Stock Dividends and Similar Events.

The 2018 Plan contains provisions, which are described below, that provide for adjustments to the terms of some types of outstanding awards upon the occurrence of specified kinds of corporate transactions, including transactions that would be deemed to constitute a Change in Control of the Company within the meaning of the 2018 Plan, as described below, which we refer to as a “Change in Control.” The provisions of the 2018 Plan governing such transactions will apply unless a different treatment of the applicable award is specified in the applicable award agreement at the time of grant, in another agreement with the grantee of the award, or in another writing.

Change in Capitalization. The Committee may adjust the terms of outstanding awards under the 2018 Plan to preserve the proportionate interests of the holders in such awards on account of any stock dividend, distribution (whether in the form of cash, shares of Stock, other securities, or other property), stock split, extraordinary dividend, recapitalization, Change in Control, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares of Stock, or other securities or similar transaction. The adjustments will include proportionate adjustments to (i) the number and kind of shares subject to outstanding awards and (ii) the per share exercise price of outstanding options or SARs. In addition, the Committee may adjust the vesting conditions, including any applicable performance measures associated with outstanding awards, as the Committee deems appropriate to prevent dilution or enlargement of the payments or benefits provided under any award.

Reorganization not Constituting a Change in Control. If the Company is the surviving entity in any reorganization, merger or consolidation of the Company with one or more other entities that does not constitute a Change in Control, any award will be adjusted to pertain to the securities to which a holder of the number of common stock subject to such award would have been entitled immediately after such transaction, with a corresponding proportionate adjustment to the per share price of options and stock appreciation rights so that the aggregate price per share of each option or SAR thereafter shall be the same as the aggregate price per share of each option or SAR subject to the option or SAR immediately prior to such transaction. Further, in the event of any such transaction, performance-based awards (and the related performance measures if deemed appropriate by the Committee) will be adjusted to apply to the securities

that a holder of the number of shares of stock subject to such performance awards would have been entitled to receive following such transaction.

Change in Control in which Awards are not Assumed. Except as otherwise provided in an award agreement or in another agreement with the grantee, upon the occurrence of a Change in Control, the following provisions will apply to awards that are not assumed or continued in connection with such Change in Control. Except with respect to performance-based awards granted after a Change in Control, the following will occur: all outstanding awards of restricted stock, stock units, deferred stock units and dividend equivalent rights will be deemed to have vested and all shares of stock and/or cash subject to such award shall be delivered.

Either of the following two (2) actions shall be taken:

- (a) At least fifteen (15) days prior to the scheduled consummation of such Change in Control, all options and SARs outstanding shall become immediately exercisable and remain exercisable for a period of fifteen (15) days. Any exercise of an Option or SAR during this fifteen (15)-day period shall be conditioned upon the consummation of the Change in Control and shall be effective only immediately before the consummation thereof, and upon consummation of such Change in Control, the 2018 Plan and all outstanding but unexercised Options and SARs shall terminate, with or without consideration (including, without limitation, consideration in accordance with clause (b) below) as determined by the Committee in its sole discretion. The Committee shall send notice of an event that shall result in such a termination to all persons who hold Options and SARs not later than the time at which the Company gives notice thereof to its stockholders.
- (b) The Committee may elect, in its sole discretion, to cancel any outstanding award of options, SARs, restricted stock, stock units, deferred stock units, and/or dividend equivalent rights and pay or deliver, or cause to be paid or delivered, to the holder thereof an amount in cash or securities having a value (as determined by the Committee acting in good faith), in the case of restricted stock, stock units, deferred stock units, and dividend equivalent rights (for shares of stock subject thereto), equal to the formula or fixed price per share paid to holders of shares of stock pursuant to such Change in Control and, in the case of options or SARs, equal to the product of the number of shares of stock subject to the option or SAR, multiplied by the amount, if any, by which (I) the formula or fixed price per share paid to holders of shares of stock pursuant to such transaction exceeds (II) the option price or SAR Price applicable to such options or SARs.

The Committee may elect to cancel any outstanding awards of options, SARs, restricted stock, stock units, deferred stock units and/or dividend equivalent rights and require payment or delivery to the holders of such awards an amount in cash or securities having a value (as determined by the Committee), (i) in the case of restricted stock, stock units, deferred stock units and dividend equivalent rights (for shares of stock subject to such awards), equal to the price per share paid to holders of shares of stock pursuant to the corporate transaction and (ii) in the case of options or SARs, equal to the product of the number of shares of stock subject to such options or SARs multiplied by the amount, if any, by which (a) the price per share paid to holders of shares of stock pursuant to the corporate transaction exceeds (b) the option exercise price or SAR strike price applicable to such awards.

For performance-based awards (i) if less than half of the performance period has lapsed, the awards will be treated as though target performance has been achieved, (ii) if at least half of the performance period has lapsed, actual performance to date will be determined as of a date reasonably proximal to the date of the consummation of the Change in Control and that level of performance will be treated as achieved immediately prior to the Change in Control, and (iii) if actual performance is not determinable, the awards will be treated as though target performance has been achieved. Awards that arise out of this treatment of performance-based awards in a Change in Control will be settled under the Change in Control provisions above for the applicable award type.

Other equity-based awards will be governed by the terms of the applicable award agreement.

Change in Control in which Awards are Assumed. Except as otherwise provided in an award agreement or in another agreement with the grantee, upon the occurrence of a Change in Control in which outstanding awards of options, SARs, restricted stock, stock units, deferred stock units, dividend equivalent rights or

other equity-based awards are assumed or continued, the 2018 Plan and the awards (to the extent the awards are assumed or continued) will continue in the manner and under the terms specified in any writing providing for assumption or continuation of such awards, which may specify the substitution for such awards of new stock options, SARs, restricted stock, deferred stock units, unrestricted stock, dividend equivalent rights, or other equity-based awards relating to the capital stock of a successor entity, or a parent or subsidiary thereof, with appropriate adjustments as to the number of shares subject to the original awards (disregarding any consideration that is not common stock) and exercise prices of options and SARs. In the event a Grantee's Award is assumed, continued or substituted upon the consummation of any Change in Control and his employment is terminated without Cause within six (6) months following the consummation of such Change in Control, the Grantee's Award will be fully vested and may be exercised in full, to the extent applicable, beginning on the date of such termination and for the one (1)-year period immediately following such termination or for such longer period as the Committee shall determine.

For any awards subject to performance-based vesting conditions, the Committee may modify any existing performance measures for any open performance period to reflect the Change in Control, or the Committee may deem any performance measures for any open performance period achieved at target, maximum, or actual performance (determined in the Committee's discretion), with any awards continued following the Change in Control subject solely to time-based vesting conditions.

Definition of Change in Control. The 2018 Plan defines a "Change in Control" to mean:

- (i) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities;
- (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in paragraph (i), (iii), or (iv) of this section or a director whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such term is used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two thirds of the directors then still in office who either were directors at the beginning of the two year period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board;
- (iii) a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; provided, however, that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person (other than those covered by the exceptions in subsection (i), above) acquires more than 50% of the combined voting power of the Company's then outstanding securities shall not constitute a Change in Control of the Company; or
- (iv) a complete liquidation or dissolution of the Company or the consummation of a sale or disposition by the Company of all or substantially all of the Company's assets other than the sale or disposition of all or substantially all of the assets of the Company to a person or persons who beneficially own, directly or indirectly, 50% or more of the combined voting power of the outstanding voting securities of the Company at the time of the sale.

Notwithstanding the foregoing, with respect to any award that is characterized as “nonqualified deferred compensation” within the meaning of Section 409A of the Code, an event shall not be considered to be a Change in Control under the 2018 Plan for purposes of payment of the award unless such event is also a “change in ownership,” a “change in effective control” or a “change in the ownership of a substantial portion of the assets” of the Company within the meaning of Section 409A of the Code.

Federal Income Tax Consequences. The following summarizes the federal income tax consequences of awards that may be granted under the 2018 Plan.

Incentive Stock Options. An optionholder will not realize taxable income upon the grant of an incentive stock option under the 2018 Plan. In addition, an optionholder generally will not realize taxable income upon the exercise of an incentive stock option. An optionholder’s alternative minimum taxable income, however, will be increased by the amount by which the aggregate fair market value of the shares underlying the option, which is generally determined as of the date of exercise, exceeds the aggregate exercise price of the option. Further, except in the case of an optionholder’s death or disability, if an option is exercised more than three months after the optionholder’s termination of employment, the option will cease to be treated as an incentive stock option and will be subject to taxation under the rules applicable to nonqualified stock options, as summarized below.

If an optionholder sells the shares of stock acquired upon exercise of an incentive stock option, the tax consequences of the disposition will depend upon whether the disposition is “qualifying” or “disqualifying.” The disposition of the option shares will be a qualifying disposition if it is made at least two years after the date on which the incentive stock option was granted and at least one year after the date on which the incentive stock option was exercised. If the disposition of the option shares is qualifying, any excess of the sale price of the option shares over the exercise price of the option will be treated as long-term capital gain taxable to the optionholder at the time of the sale. If the disposition is a disqualifying disposition, the excess of the fair market value of the option shares on the date of disposition over the exercise price will be taxable income to the optionholder at the time of the disposition. Of that income, the amount up to the excess of the fair market value of the shares at the time the option was exercised over the exercise price will be ordinary income for income tax purposes and the balance, if any, will be long-term or short-term capital gain, depending upon whether or not the shares were sold more than one year after the option was exercised.

Unless an optionholder engages in a disqualifying disposition, the Company will not be entitled to a deduction with respect to an incentive stock option. If an optionholder engages in a disqualifying disposition, the Company will be entitled to a deduction equal to the amount of compensation income taxable to the optionholder.

If an optionholder pays the exercise price of an incentive stock option by tendering shares with a fair market value equal to part or all of the exercise price, the exchange of shares will be treated as a nontaxable exchange, except that this treatment will not apply if the optionholder acquired the shares being tendered pursuant to the exercise of an incentive stock option and has not satisfied the special holding period requirements summarized above. The tax basis of the shares tendered to pay the exercise price will be treated as the substituted tax basis for an equivalent number of shares received, and the new shares will be treated as having been held for the same holding period as the holding period that expired with respect to the tendered shares.

Nonqualified Stock Options. An optionholder will not realize taxable income upon the grant of a nonqualified stock option. When an optionholder exercises the option, however, the difference between the exercise price of the option and the fair market value of the shares subject to the option on the date of exercise will constitute compensation income taxable to the optionholder.

If an optionholder tenders shares in payment of part or all of the exercise price of a nonqualified stock option, no gain or loss will be recognized with respect to the shares tendered, even if the shares were acquired pursuant to the exercise of an incentive stock option. In such an event, the optionholder will be treated as receiving an equivalent number of shares pursuant to the exercise of the option in a nontaxable exchange. The tax basis of the shares tendered will be treated as the substituted tax basis for an equivalent number of shares received, and the shares received will be treated as having been held for the same holding period as the holding period that expired with respect to the tendered shares. The difference between the aggregate

exercise price and the aggregate fair market value of the shares received upon the exercise of the option will be taxed as ordinary income, just as if the optionholder had paid the exercise price in cash.

Restricted Stock. A grantee of restricted stock will not recognize any taxable income for federal income tax purposes in the year of the award if the shares of stock are subject to restrictions (that is, the restricted stock are nontransferable and subject to a substantial risk of forfeiture). The grantee, however, may elect under Section 83(b) of the Code to recognize compensation income in the year of the award in an amount equal to the fair market value of the shares on the date of the award, determined without regard to the restrictions. If the grantee does not make a Section 83(b) election, the fair market value of the shares on the date on which the restrictions lapse will be treated as compensation income to the grantee and will be taxable in the year in which the restrictions lapse.

Dividend Equivalent Rights. Grantees under the 2018 Plan who receive awards of dividend equivalent rights will be required to recognize ordinary income in the amount distributed to the grantee pursuant to the award.

Stock Units, Deferred Stock Units and Performance-Based Awards. A distribution of shares of stock or a payment of cash in satisfaction of stock units, deferred stocks units or a performance-based award will be taxable as ordinary income when the distribution or payment is actually or constructively received by the grantee. The amount taxable as ordinary income is the aggregate fair market value of the shares of stock determined as of the date they are received or, in the case of a cash award, the amount of the cash payment.

Stock Appreciation Rights. The grant of SARs will not result in taxable income to the grantee or a deduction to the Company. Upon exercise of a SAR, the grantee will recognize ordinary income in an amount equal to the cash or the fair market value of the shares of stock received by the grantee.

Unrestricted Stock. A grantee of unrestricted stock will be required to recognize ordinary income in an amount equal to the fair market value of the shares on the date of the award, reduced by the amount, if any, paid for such shares.

Upon the grantee's disposition of unrestricted stock, any gain realized in excess of the amount reported as ordinary income will be reportable by the grantee as a capital gain, and any loss will be reportable as a capital loss. Capital gain or loss will be long-term if the grantee has held the shares for more than one year. Otherwise, the capital gain or loss will be short-term.

Tax Withholding. Payment of the taxes imposed on awards made under the 2018 Plan may be made by withholding from payments otherwise due and owing to the grantee.

New Plan Benefits. No awards have been granted, and no shares have been issued, under the Second Amendment to the 2018 Plan. Future grants under the 2018 Plan will be made at the discretion of the Committee and, accordingly, are not yet determinable. In addition, the value of future awards granted under the 2018 Plan will depend on a number of factors, including the fair market value of the Company's common stock on future dates and the exercise decisions (if applicable) made by the participants. Consequently, it is not possible to determine the benefits that might be received by participants receiving discretionary grants under the Second Amendment to the 2018 Plan.

Stockholder Proposals and Nominations

All stockholder proposals intended to be considered for inclusion in the Company's proxy materials for the 2026 Annual Meeting of Stockholders pursuant to Rule 14a-18 of the 1934 Act must be received by the Company no later than November 10, 2025 and must comply with all applicable SEC and other rules.

Under the Company's Bylaws, if a stockholder wishes to present an item of proper business at the 2026 Annual Meeting of Stockholders (other than a proposal submitted for inclusion in the Company's proxy statement pursuant to SEC rules), the stockholder must give advance written notice to the Company's Secretary at 2303 Dulles Station Blvd., Herndon, Virginia 20171, not less than 90 days nor more than 120 days before the first anniversary of the date of this proxy statement. As a result, any notice given by a stockholder pursuant to these provisions in our Bylaws must be received no earlier than November 10, 2025 and no later than December 10, 2025. Such notice must include all of the information required by the Company's Bylaws.

Stockholders who intend to include director nominees in the Company's proxy card for the 2026 Annual Meeting of Stockholders must provide written notice to the Company's Secretary at 2303 Dulles Station Blvd., Herndon, Virginia 20171, between November 10, 2025 and December 10, 2025 with all the names of the nominees for whom such stockholder intends to solicit proxies. The notice must also meet all the requirements set forth in Rule 14a-19(b) under the 1934 Act.

Internet Availability of Annual Meeting Materials

Under SEC rules, the Company has elected to make proxy materials for the Annual Meeting available to stockholders over the Internet rather than mailing paper copies of those materials to each stockholder. On or about March 10, 2025, we mailed a notice of internet availability of proxy materials directing stockholders to a website where they can access the proxy statement and annual report and view instructions on how to vote their shares via the Internet or by phone. If you received the notice only and would like to receive a paper copy of the proxy materials, please follow the instructions printed on the notice to request that a paper copy be mailed to you.

Householding of Proxy Materials

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as "householding," potentially means extra convenience for stockholders and cost savings for companies.

This year, a number of brokers with account holders who are our stockholders will be "householding" our proxy materials. A single proxy statement will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in "householding" and would prefer to receive a separate proxy statement and annual report, please notify your broker.

You may also request an additional proxy statement and annual report by sending a written request to:

Strategic Education, Inc.
Attn: **Lizette B. Herraiz**
General Counsel & Secretary
2303 Dulles Station Boulevard
Herndon, Virginia 20171
(703) 561-1600

Stockholders who currently receive multiple copies of the proxy statement at their addresses and would like to request "householding" of their communications should contact their brokers.

Other Matters

The Company knows of no other matters to be presented for action at the Annual Meeting other than those mentioned above. However, if any other matters should properly come before the meeting, it is intended that the persons named in the accompanying proxy card will vote on such matters in accordance with their best judgment.

Reconciliation of Reported to Adjusted Results for the year ended December 31, 2020
(in thousands, except per share data)

	As Reported (GAAP)	Contract Liability Adjustment ⁽¹⁾	Amortization of intangible assets ⁽²⁾	Merger and integration costs ⁽³⁾	Restructuring costs ⁽⁴⁾	Income from other investments ⁽⁵⁾	Tax adjustments ⁽⁶⁾	As Adjusted (Non-GAAP)
Revenues	\$1,027,653	\$11,296	\$ —	\$ —	\$ —	\$ —	\$ —	\$1,038,949
Total costs and expenses	\$ 918,269	\$ —	\$(64,225)	\$(13,770)	\$(12,382)	\$ —	\$ —	\$ 827,892
Income from operations	\$ 109,384	\$11,296	\$ 64,225	\$ 13,770	\$ 12,382	\$ —	\$ —	\$ 211,057
Operating margin	10.6%							20.3%
Income before income taxes	\$ 113,957	\$11,296	\$ 64,225	\$ 13,770	\$ 12,382	\$(2,094)	\$ —	\$ 213,536
Net income	\$ 86,268	\$11,296	\$ 64,225	\$ 13,770	\$ 12,382	\$(2,094)	\$(33,141)	\$ 152,706
Diluted earnings per share	\$ 3.77							\$ 6.68
Weighted average diluted shares outstanding	22,860							22,860

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- (1) Reflects a purchase accounting adjustment to record acquired contract liabilities at fair value as a result of the Company's acquisition of ANZ.
 - (2) Reflects amortization and depreciation expense of intangible assets and software assets acquired through the Company's merger with Capella Education Company and its acquisition of ANZ.
 - (3) Reflects transaction and integration expenses associated with the Company's merger with Capella Education Company and its acquisition of ANZ.
 - (4) Reflects severance and other costs associated with the Company's restructuring.
 - (5) Reflects income recognized from the Company's investments in partnership interests and other investments.
 - (6) Reflects tax impacts of the adjustments described above and discrete tax adjustments related to stock-based compensation and other adjustments, utilizing an adjusted effective tax rate of 28.5% for the year ended December 31, 2020.

Reconciliation of Adjusted to Modified Results for the year ended December 31, 2020
(in thousands, except per share data)

	As Adjusted (Non-GAAP)	ANZ segment revenue ⁽¹⁾	Contract liability adjustment ⁽²⁾	ANZ segment costs and expenses ⁽³⁾	Income from other investments ⁽⁴⁾	Tax adjustments ⁽⁵⁾	Common stock offering ⁽⁶⁾	Modified (Non-GAAP)
Revenues	\$1,038,949	\$(23,381)	\$(11,296)	\$ —	\$ —	\$ —	\$ —	\$1,004,272
Total costs and expenses .	\$ 827,892	\$ —	\$ —	\$(36,143)	\$ —	\$ —	\$ —	\$ 791,749
Income from operations .	\$ 211,057	\$(23,381)	\$(11,296)	\$ 36,143	\$ —	\$ —	\$ —	\$ 212,523
Operating margin	20.3%							21.2%
Income before income taxes	\$ 213,536	\$(23,381)	\$(11,296)	\$ 36,143	\$(36)	\$ —	\$ —	\$ 214,966
Net income	\$ 152,706	\$(23,381)	\$(11,296)	\$ 36,143	\$(36)	639	\$ —	\$ 154,775
Diluted earnings per share	\$ 6.68							\$ 7.03
Weighted average diluted shares outstanding . . .	22,860						(852)	22,008

In order to evaluate non-equity incentive compensation, the Compensation Committee established specific goals at the beginning of 2020 which did not contemplate completion of the acquisition of ANZ. Accordingly, the Company is providing the tables above to present a reconciliation of reported GAAP results to adjusted results, which exclude certain expenses and accounting adjustments relating to the Company's acquisition of ANZ, severance and other costs associated with a restructuring, income recognized from certain investments, and certain tax adjustments, and modified adjusted results, which further exclude the impact of the acquisition of ANZ on November 3, 2020, which the Compensation Committee used to evaluate management's performance excluding the effects of the ANZ acquisition. The measures used to evaluate non-equity compensation include Revenue, Income from Operations, and Earnings per Share. These measures, which are considered "non-GAAP financial measures" under SEC rules, are defined by us to exclude the following:

- (1) Reflects revenue recognized in the ANZ segment.
- (2) Reflects a purchase accounting adjustment to record acquired contract liabilities at fair value as a result of the Company's acquisition of ANZ.
- (3) Reflects costs and expenses recognized in the ANZ segment.
- (4) Reflects investment income recognized in the ANZ segment.
- (5) Reflects tax impacts of the adjustments described above and the tax impact of the consolidated operations of ANZ, resulting in a modified adjusted effective tax rate of 28.0% for the year ended December 31, 2020.
- (6) Reflects weighted average number of shares of common stock issued in August 2020 to fund, in part, the cost of the ANZ acquisition.

**Second Amendment to the
Strategic Education, Inc.
2018 Equity Compensation Plan**

THIS SECOND AMENDMENT (the “**Second Amendment**”) to the Strategic Education, Inc. 2018 Equity Compensation Plan (the “**Plan**”), was adopted by Strategic Education, Inc.’s (the “**Company’s**”) board of directors (the “**Board**”) on February 26, 2025 to be effective April 23, 2025 (the “**Effective Date**”).

WITNESSETH:

WHEREAS, the Company previously adopted the Plan, under which the Company is authorized to grant equity-based incentive awards to certain employees and service providers of the Company;

WHEREAS, the Company’s Board has determined that it is desirable to amend the Plan, effective as of the Effective Date and subject to approval by the stockholders of the Company, to increase the maximum number of shares for which Awards may be granted under the Plan; and

WHEREAS, Section 5.2 of the Plan provides that the Board may amend the Plan from time to time, subject to approval by the stockholders of the Company as required by applicable law.

NOW, THEREFORE, the Plan shall be amended as of the Effective Date, subject to approval by the Company’s stockholders, as set forth below:

1. Section 4.1 of the Plan shall be deleted and replaced with the following:

Subject to adjustment as provided in Section 4.2 and Section 17, the number of shares of Stock reserved for issuance under the Plan will be equal to the sum of (i) seven hundred thousand (700,000) shares of Stock, plus (ii) the number of shares of Stock available for future awards under the Plan as of the Effective Date including after the operation of the First Amendment to the Strategic Education, Inc. 2018 Equity Compensation Plan, plus (iii) the number of shares of Stock related to awards outstanding under the Plan as of the Effective Date that thereafter terminate by expiration or forfeiture, cancellation, or otherwise without the issuance of such shares of Stock. Any of the shares of Stock reserved and available for issuance under the Plan may be used for any type of Award under the Plan, and any or all of the shares of Stock reserved for issuance under the Plan shall be available for issuance pursuant to Incentive Stock Options. Shares of Stock to be issued under the Plan shall be authorized but unissued shares or, to the extent permitted by Applicable Laws, issued shares that have been reacquired by the Company.

NOW, THEREFORE, be it further provided that, except as set forth above, the Plan shall continue to read in its current state.

IN WITNESS WHEREOF, the Company has caused the execution of this Second Amendment by its duly authorized officer, effective as of the Effective Date and subject to approval of the Company’s stockholders.

STRATEGIC EDUCATION, INC.

By: _____

Name: _____

Title: _____

Date: _____

**STRATEGIC EDUCATION, INC.
2018 EQUITY COMPENSATION PLAN**

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STRATEGIC EDUCATION, INC.
2018 EQUITY COMPENSATION PLAN

Strategic Education, Inc., a Maryland corporation (the “Company”), sets forth herein the terms of its 2018 Equity Compensation Plan (the “Plan”), as follows:

1. PURPOSE

This Plan is intended to (i) provide incentive to eligible persons to stimulate their efforts toward the success of the Company and to operate and manage its business in a manner that will provide for the long-term growth and profitability of the Company and that will benefit the shareholders and other important stakeholders of the Company, including its employees and customers; and (ii) provide a means of recruiting, rewarding and retaining key personnel. To this end, the Plan provides for the grant of Options, Stock Appreciation Rights, Restricted Stock, Unrestricted Stock, Stock Units (including Deferred Stock Units), Dividend Equivalent Rights, Other Equity-based Awards, and cash bonus awards. Any of these Awards may, but need not, be made as performance incentives to reward attainment of annual or long-term performance goals in accordance with the terms of the Plan. Options granted under the Plan may be Non-qualified Stock Options or Incentive Stock Options, as provided herein.

The Plan is an amendment and restatement of the Prior Plan. Awards granted under the Prior Plan prior to the Amendment Date will be subject to the terms of the Prior Plan and Grant Agreement.

2. DEFINITIONS

For purposes of interpreting the Plan and related documents (including Award Agreements), the following capitalized terms shall have the meanings specified below, unless the context clearly indicates otherwise:

2.1 “**Affiliate**” means, with respect to the Company, or other entity, that controls, is controlled by, or is under common control with the Company within the meaning of Rule 405 of Regulation C under the Securities Act, including, without limitation, any Subsidiary. For purposes of granting Options or Stock Appreciation Rights, an entity may not be considered an Affiliate of the Company unless the Company holds a Controlling Interest in such entity.

2.2 “**Amendment Date**” means the date on which the Plan is approved by the Company’s shareholders, the Plan having been approved by the Board on September 4, 2018.

2.3 “**Annual Cash Profit Share**” means an Award, denominated in cash, made subject to attainment of performance goals (as described in Section 14) over a Performance Period of up to one (1) year (the Company’s fiscal year, unless otherwise specified by the Board or the Committee).

2.4 “**Applicable Laws**” means the legal requirements relating to the Plan and the Awards under (i) applicable provisions of the Code, the Securities Act, the Exchange Act, any rules or regulations thereunder, and any other laws, rules, regulations, and government orders of any jurisdiction applicable to the Company or its Affiliates, (ii) applicable provisions of the corporate, securities, tax and other laws, rules, regulations and government orders, and the rules of any applicable stock exchange or national market system, of any jurisdiction applicable to Awards granted to residents therein, and (iii) the rules of any Stock Exchange or Securities Market on which the Stock is listed or publicly traded.

2.5 “**Award**” means a grant under the Plan of an Option, Stock Appreciation Right, Restricted Stock, Deferred Stock Unit, Unrestricted Stock, Stock Unit, Dividend Equivalent Right, Performance Award, Annual Cash Profit Share, Other Equity-Based Award, or cash.

2.6 “**Award Agreement**” means the written agreement, in such written, electronic, or other form as determined by the Committee, between the Company and a Grantee that evidences and sets forth the terms and conditions of an Award.

2.7 “**Board**” means the Board of Directors of the Company.

2.8 **“Cause”** means, with respect to any Grantee, as determined by the Committee and unless otherwise provided in an applicable agreement between such Grantee and the Company or an Affiliate, (i) gross negligence or willful misconduct in connection with the performance of duties; (ii) conviction of, or pleading guilty or *nolo contendere* to, a criminal offense (other than minor traffic offenses); or (iii) material breach of any term of any employment, consulting or other services, confidentiality, intellectual property or non-competition agreements, if any, between the Service Provider and the Company or an Affiliate.

2.9 **“Change in Control”** Unless otherwise determined by the Committee in the applicable Award Agreement or other written agreement with a Grantee approved by the Committee, a “Change in Control” shall be deemed to occur if:

(i) any “person,” as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under any employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of Stock of the Company), becoming the beneficial owner (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company’s then outstanding securities;

(ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in paragraph (i), (iii), or (iv) of this Section 2.9 or a director whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such term is used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Board) whose election by the Board or nomination for election by the Company’s stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the Board;

(iii) a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the Company or such surviving entity outstanding immediately after such merger or consolidation; provided, however, that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no person (other than those covered by the exceptions in Section 2.9(i)) acquires more than 50% of the combined voting power of the Company’s then outstanding securities shall not constitute a Change in Control of the Company; or

(iv) a complete liquidation or dissolution of the Company or the consummation of a sale or disposition by the Company of all or substantially all of the Company’s assets other than the sale or disposition of all or substantially all of the assets of the Company to a person or persons who beneficially own, directly or indirectly, 50% or more of the combined voting power of the outstanding voting securities of the Company at the time of the sale.

Notwithstanding the foregoing, with respect to any Award that is characterized as “nonqualified deferred compensation” within the meaning of Section 409A of the Code, an event shall not be considered to be a Change in Control under the Plan for purposes of payment of such Award unless such event is also a “change in ownership,” a “change in effective control” or a “change in the ownership of a substantial portion of the assets” of the Company within the meaning of Section 409A of the Code.

2.10 **“Code”** means the Internal Revenue Code of 1986, as amended, as now in effect or as hereafter amended, and any successor thereto. References in the Plan to any Code Sections shall be deemed to include, as applicable, regulations and guidance promulgated under such Code Section.

2.11 **“Committee”** means a committee of, and designated from time to time by resolution of, the Board, which shall be constituted as provided in Section 3.1 (or, if no Committee has been so designated, the Board itself).

2.12 **"Company"** means Strategic Education, Inc., a Maryland corporation, and any successor thereto.

2.13 **"Controlling Interest"** shall have the meaning set forth in Treasury Regulation Section 1.414(c)-2(b)(2)(i); provided that (i) except as specified in clause (ii) below, an interest of "at least 50 percent" shall be used instead of an interest of "at least 80 percent" in each case where "at least 80 percent" appears in Treasury Regulation Section 1.414(c)-2(b)(2)(i) and (ii) where a grant of Options or Stock Appreciation Rights is based upon a legitimate business criterion, an interest of "at least 20 percent" shall be used instead of an interest of "at least 80 percent" in each case where "at least 80 percent" appears in Treasury Regulation Section 1.414(c)-2(b)(2)(i).

2.14 **"Deferred Stock Unit"** means a Stock Unit, the terms of which provide for delivery of the underlying shares of Stock, cash, or a combination thereof subsequent to the date of vesting, at a time or times consistent with the requirements of Code Section 409A.

2.15 **"Determination Date"** means the Grant Date or such other date as of which the Fair Market Value of a share of Stock is required to be established for purposes of the Plan.

2.16 **"Disability"** means the Grantee is unable to engage in any substantial gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

2.17 **"Dividend Equivalent Right"** means a right, granted to a Grantee pursuant to Section 13, entitling the Grantee thereof to receive, or to receive credits for the future payments of, cash, Stock, other Awards, or other property equal in value to dividend payments or distributions, or other periodic payments, declared or paid with respect to a number of shares of Stock specified in such Dividend Equivalent Right (or other Award to which such Dividend Equivalent Right relates) as if such shares of Stock had been issued to and held by the Grantee as of the record date.

2.18 **"Employee"** means, as of any date of determination, an employee (including an officer) of the Company or an Affiliate.

2.19 **"Exchange Act"** means the Securities Exchange Act of 1934, as amended, as now in effect or as hereafter amended, and any successor thereto.

2.20 **"Fair Market Value"** means the fair market value of a share of Stock for purposes of the Plan, which shall be, as of any Determination Date:

(i) If on such Determination Date the shares of Stock are listed on a Stock Exchange or are publicly traded on another Securities Market, the Fair Market Value of a share of Stock shall be the closing price of a share of Stock as reported on such Stock Exchange or such Securities Market (*provided* that, if there is more than one such Stock Exchange or Securities Market, the Committee shall designate the appropriate Stock Exchange or Securities Market for purposes of the Fair Market Value determination). If there is no such reported closing price on such Determination Date, the Fair Market Value of a share of Stock shall be the closing price of a share of Stock on the last preceding day on which any sale of Stock shall have been reported on such Stock Exchange or such Securities Market.

(ii) If on such Determination Date the shares of Stock are not listed on a Stock Exchange or publicly traded on a Securities Market, the Fair Market Value of a share of Stock shall be the value of a share of Stock as determined by the Committee by the reasonable application of a reasonable valuation method, in a manner consistent with Code Section 409A.

Notwithstanding this Section 2.21 or Section 18.3, for purposes of determining taxable income and the amount of the related tax withholding obligation pursuant to Section 18.3, the Fair Market Value will be determined by the Committee in good faith using any reasonable method as it deems appropriate, to be applied consistently with respect to Grantees; *provided, further*, that the Committee shall determine the Fair Market Value of shares of Stock for tax withholding obligations due in connection with sales, by or on behalf of a Grantee, of such shares of Stock subject to an Award to pay the Option Price, SAR Price, and/or any tax withholding obligation on the same date on which such shares may first be sold pursuant to the terms of the applicable Award Agreement (including broker-assisted cashless exercises of Options and Stock

Appreciation Rights and sell-to-cover transactions) in any manner consistent with applicable provisions of the Code, including, without limitation, using the sale price of such shares on such date (or if sales of such shares are effectuated at more than one sale price, the weighted average sale price of such shares on such date) as the Fair Market Value of such shares, so long as such Grantee has provided the Company, or its designee or agent, with advance written notice of such sale.

2.21 **"Family Member"** means, with respect to a Grantee as of any date of determination, (i) a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law, or sister-in-law, including adoptive relationships, of such Grantee; (ii) any person sharing such Grantee's household (other than a tenant or employee); (iii) a trust in which any one or more of the persons specified in clauses (i) and (ii) of this Section 2.22 (and such Grantee) own more than fifty percent (50%) of the beneficial interest; (iv) a foundation in which any one or more of the persons specified in clauses (i) and (ii) of this Section 2.22 (and such Grantee) control the management of assets; and (v) any other entity in which one or more of these persons (or the Grantee) own more than fifty percent (50%) of the voting interests.

2.22 **"Grant Date"** means, as determined by the Committee, the latest to occur of (i) the date as of which the Committee approves the Award, (ii) the date on which the recipient of an Award first becomes eligible to receive an Award under Section 6, or (iii) such other subsequent date specified by the Committee in the corporate action approving the Award.

2.23 **"Grantee"** means a person who receives or holds an Award under the Plan.

2.24 **"Incentive Stock Option"** means an "incentive stock option" within the meaning of Code Section 422, or the corresponding provision of any subsequently enacted tax statute, as amended from time to time.

2.25 **"Non-Employee Director"** shall have the meaning set forth in Rule 16b-3 under the Exchange Act.

2.26 **"Non-qualified Stock Option"** means an Option that is not an Incentive Stock Option.

2.27 **"Officer"** shall have the meaning set forth in Rule 16a-1(f) under the Exchange Act.

2.28 **"Option"** means an option to purchase one or more shares of Stock at a specified Option Price awarded to a Grantee pursuant to Section 8.

2.29 **"Option Price"** means the per share exercise price for shares of Stock subject to an Option.

2.30 **"Other Equity-Based Award"** means an Award representing a right or other interest that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Stock, other than an Option, Stock Appreciation Right, Restricted Stock, Deferred Stock Unit, Unrestricted Stock, Stock Unit, Dividend Equivalent Right, Performance Award, or Annual Cash Profit Share.

2.31 **"Outside Director"** shall have the meaning set forth in Code Section 162(m).

2.32 **"Performance Award"** means an Award made subject to the attainment of performance goals (as described in Section 14) over a Performance Period specified by the Committee.

2.33 **"Performance Measures"** means measures as described in Section 14 on which the performance goal or goals under Performance Awards are based.

2.34 **"Performance Period"** means the period of time, of up to ten (10) years, during or over which the performance goals under Performance Awards must be met in order to determine the degree of payout and/or vesting with respect to any such Performance Award.

2.35 **"Plan"** means this Strategic Education, Inc. 2018 Equity Compensation Plan, as amended from time to time.

2.36 **"Prior Plan"** means the Strayer Education, Inc. 2015 Equity Compensation Plan, as amended.

2.37 "**Purchase Price**" means the purchase price for each share of Stock pursuant to a grant of Restricted Stock, Stock Units, or Unrestricted Stock.

2.38 "**Reporting Person**" means a person who is required to file reports under Section 16(a) of the Exchange Act, or any successor provision.

2.39 "**Restricted Period**" shall have the meaning set forth in Section 10.2.

2.40 "**Restricted Stock**" means shares of Stock awarded to a Grantee pursuant to Section 10.

2.41 "**SAR Price**" means the per share exercise price of a SAR.

2.42 "**Securities Act**" means the Securities Act of 1933, as amended, as now in effect or as hereafter amended, and any successor thereto.

2.43 "**Securities Market**" means an established national or regional securities market.

2.44 "**Separation from Service**" shall have the meaning set forth in Code Section 409A.

2.45 "**Service**" means service of a Grantee as a Service Provider to the Company or any Affiliate. Unless otherwise provided in the applicable Award Agreement, a Grantee's change in position or duties with the Company or any Affiliate shall not result in interrupted or terminated Service, so long as the Grantee continues to be a Service Provider to the Company or any Affiliate. If the Service Provider's employment or other service relationship is with an Affiliate and that entity ceases to be an Affiliate, a termination of Service shall be deemed to have occurred when the entity ceases to be an Affiliate unless the Service Provider transfers his or her employment or other service relationship to the Company or its remaining Affiliates. Any determination by the Committee whether a termination of Service shall have occurred for purposes of the Plan shall be final, binding and conclusive.

2.46 "**Service Provider**" means (i) an employee, officer, or director of the Company or an Affiliate, or (ii) a consultant or adviser to the Company or an Affiliate (1) who is a natural person, (2) who is currently providing bona fide services to the Company or an Affiliate, and (3) whose services are not in connection with the Company's sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company's Stock.

2.47 "**Service Recipient Stock**" shall have the meaning set forth in Code Section 409A.

2.48 "**Share Limit**" shall have the meaning set forth in Section 4.1.

2.49 "**Short-Term Deferral Period**" shall have the meaning set forth in Code Section 409A.

2.50 "**Stock**" means the common stock, par value \$0.01 per share, of the Company, or any security into which shares of Stock may be changed or for which shares of Stock may be exchanged as provided in Section 17.1.

2.51 "**Stock Appreciation Right**" or "**SAR**" means a right granted to a Grantee pursuant to Section 9.

2.52 "**Stock Exchange**" means the New York Stock Exchange, the NASDAQ Stock Market, or another established national or regional stock exchange.

2.53 "**Stock Unit**" means a bookkeeping entry representing the equivalent of one share of Stock awarded to a Grantee pursuant to Section 10 that may be settled, subject to the terms and conditions of the applicable Award Agreement, in shares of Stock, cash, or a combination thereof.

2.54 "**Subsidiary**" means any corporation (other than the Company) or non-corporate entity with respect to which the Company owns, directly or indirectly, fifty percent (50%) or more of the total combined voting power of all classes of stock. In addition, any other entity may be designated by the Committee as a Subsidiary, provided that (i) such entity could be considered as a subsidiary according to generally accepted accounting principles in the United States of America and (ii) in the case of an Award of Options or Stock Appreciation Rights, such Award would be considered to be granted in respect of Service Recipient Stock under Code Section 409A.

2.55 **"Substitute Award"** means an Award granted upon assumption of, or in substitution for, outstanding awards previously granted under a compensatory plan of the Company, an Affiliate, or other business entity acquired or to be acquired by the Company or an Affiliate or with which the Company or an Affiliate has combined or will combine.

2.56 **"Ten Percent Shareholder"** means a natural person who owns more than ten percent (10%) of the total combined voting power of all classes of outstanding voting securities of the Company, the Company's parent (if any), or any of the Company's Subsidiaries. In determining stock ownership, the attribution rules of Code Section 424(d) shall be applied.

2.57 **"Unrestricted Stock"** means Stock that is free of any restrictions granted pursuant to Section 11.

3. ADMINISTRATION OF THE PLAN

3.1 Committee.

3.1.1. Powers and Authorities.

The Committee shall administer the Plan and shall have such powers and authorities related to the administration of the Plan as are consistent with the Company's certificate of incorporation and bylaws and Applicable Laws. Without limiting the generality of the foregoing, the Committee shall have full power and authority to take all actions and to make all determinations required or provided for under the Plan, any Award, or any Award Agreement and shall have full power and authority to take all such other actions and to make all such other determinations not inconsistent with the specific terms and provisions of the Plan which the Committee deems to be necessary or appropriate to the administration of the Plan, any Award, or any Award Agreement. All such actions and determinations shall be made by (i) the affirmative vote of a majority of the members of the Committee present at a meeting at which a quorum is present, or (ii) the unanimous consent of the members of the Committee executed in writing or evidenced by electronic transmission in accordance with the Company's certificate of incorporation and bylaws and Applicable Laws. Unless otherwise expressly determined by the Board, the Committee shall have the authority to interpret and construe all provisions of the Plan, any Award, and any Award Agreement, and any such interpretation or construction, and any other determination contemplated to be made under the Plan or any Award Agreement, by the Committee shall be final, binding, and conclusive on all persons, whether or not expressly provided for in any provision of the Plan, such Award, or such Award Agreement.

In the event that the Plan, any Award, or any Award Agreement provides for any action to be taken by the Board or any determination to be made by the Board, such action may be taken or such determination may be made by the Committee constituted in accordance with this Section 3.1.1 if the Board has delegated the power and authority to do so to such Committee.

3.1.2. Composition of the Committee.

The Committee shall be a committee composed of not fewer than two (2) directors of the Company designated by the Board to administer the Plan. Each member of the Committee shall be (i) a Non-Employee Director and (ii) an independent director in accordance with the rules of any Stock Exchange on which the Stock is listed; *provided* that any action taken by the Committee shall be valid and effective whether or not members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth in this Section 3.1.2 or otherwise provided in any charter of the Committee. Without limiting the generality of the foregoing, the Committee may be the Compensation Committee of the Board or a subcommittee thereof if the Compensation Committee of the Board or such subcommittee satisfies the foregoing requirements. Notwithstanding the foregoing, for purposes of any Award granted under the Prior Plan that is intended to constitute "qualified performance-based compensation" under Section 162(m) of the Code, each member of the Committee shall also be an Outside Director for purposes of certifying the extent to which any applicable performance-based vesting conditions are achieved.

3.1.3. Other Committees.

The Board also may appoint one or more committees of the Board, each composed of one or more directors of the Company who need not be Outside Directors, which (i) may administer the Plan with

respect to Grantees who are not Officers or directors of the Company, (ii) may grant Awards under the Plan to such Grantees, and (iii) may determine all terms of such Awards, in each case, subject, if applicable, to the requirements of Rule 16b-3 under the Exchange Act and the rules of any Stock Exchange or Securities Market on which the Stock is listed or publicly traded.

3.1.4. Delegation by Committee.

To the extent permitted by Applicable Laws, the Committee may, by resolution, delegate some or all of its authority with respect to the Plan and Awards to the Chief Executive Officer of the Company and/or any other officer of the Company designated by the Committee; *provided* that the Committee may not delegate its authority hereunder (i) to make Awards to directors of the Company, (ii) to make Awards to employees who are (1) Officers or (2) officers of the Company who are delegated authority by the Committee pursuant to this Section 3.1.4, or (iii) to interpret the Plan, any Award, or any Award Agreement. Any delegation hereunder will be subject to the restrictions and limits that the Committee specifies at the time of such delegation or thereafter. Nothing in the Plan will be construed as obligating the Committee to delegate authority to any officer of the Company, and the Committee may at any time rescind the authority delegated to an officer of the Company appointed hereunder and delegate authority to one or more other officers of the Company. At all times, an officer of the Company delegated authority pursuant to this Section 3.1.4 will serve in such capacity at the pleasure of the Committee. Any action undertaken by any such officer of the Company in accordance with the Committee's delegation of authority will have the same force and effect as if undertaken directly by the Committee, and any reference in the Plan to the "Committee" will, to the extent consistent with the terms and limitations of such delegation, be deemed to include a reference to each such officer.

3.2 Board.

The Board, from time to time, may exercise any or all of the powers and authorities related to the administration and implementation of the Plan, as set forth in Section 3.1 and other applicable provisions of the Plan, as the Board shall determine, consistent with the Company's certificate of incorporation and bylaws and Applicable Laws.

3.3 Terms of Awards; Minimum Vesting Conditions.

Subject to the other terms and conditions of the Plan, the Committee shall have full and final authority to:

- (i) designate Grantees;
- (ii) determine the type or types of Awards to be made to a Grantee;
- (iii) determine the number of shares of Stock to be subject to an Award or to which an Award relates;
- (iv) establish the terms and conditions of each Award (including the Option Price, SAR Price, and Purchase Price; the nature and duration of any restriction or condition (or provision for lapse thereof) relating to the vesting, exercise, transfer, or forfeiture of an Award or the shares of Stock subject thereto; the treatment of an Award in the event of a Change in Control (subject to applicable agreements); and any terms or conditions that may be necessary to qualify Options as Incentive Stock Options); *provided*, that no Award granted to any Grantee who is not a Non-Employee Director shall vest in full prior to the third (3rd) anniversary of the Grant Date or shall vest in part prior to the first (1st) anniversary of the grant date, unless the Committee determines to accelerate vesting upon the occurrence of a specific event, such as a termination of a Grantee's employment or Change in Control or other corporate transaction; *provided*, that (a) up to five percent (5%) of the maximum number of shares of Stock available for issuance to any Grantee who is not a Non-Employee Director under the Plan may be granted pursuant to the Plan without being subject to the foregoing restrictions, and (b) any dividends or Dividend Equivalent Rights issued in connection with any Award granted at any time under the Plan shall not be subject to or counted for either such restrictions or such five percent (5%) share issuance limit. The foregoing five percent (5%) share

issuance limit shall be subject to adjustment consistent with the adjustment provisions of Section 17.2 and the share usage rules of Section 4.3.

- (v) prescribe the form of each Award Agreement evidencing an Award;
- (vi) subject to the limitation on repricing in Section 3.5, amend, modify, or supplement the terms of any outstanding Award, which authority specifically includes the authority, in order to effectuate the purposes of the Plan but without amending the Plan, to make Awards or to modify outstanding Awards made to eligible natural persons who are foreign nationals or are natural persons who are employed outside the United States to reflect differences in local law, tax policy, or custom; *provided* that, notwithstanding the foregoing, no amendment, modification, or supplement of the terms of any outstanding Award shall, without the consent of the Grantee, impair the Grantee's rights under such Award; and
- (vii) make Substitute Awards.

3.4 Forfeiture; Recoupment.

The Committee may reserve the right in an Award Agreement to cause a forfeiture of the gain realized by a Grantee with respect to an Award thereunder on account of actions taken by, or failed to be taken by, such Grantee in violation or breach of or in conflict with any (i) employment agreement, (ii) non-competition agreement, (iii) agreement prohibiting solicitation of employees or clients of the Company or an Affiliate, (iv) confidentiality obligation with respect to the Company or an Affiliate, (v) Company or Affiliate policy or procedure, (vi) other agreement, or (vii) other obligation of such Grantee to the Company or an Affiliate, as and to the extent specified in such Award Agreement. Furthermore, if the Grantee of an outstanding Award is an employee of the Company or an Affiliate thereof and such Grantee's Service is terminated for Cause, the Committee may annul such Grantee's outstanding Award as of the date of the Grantee's termination of Service for Cause.

Any Award granted pursuant to the Plan is subject to mandatory repayment by the Grantee to the Company (x) to the extent set forth in the Plan or an Award Agreement or (y) to the extent the Grantee is, or in the future becomes, subject to (1) any Company or Affiliate "clawback" or recoupment policy that is adopted to comply with the requirements of any Applicable Laws or (2) any Applicable Laws which impose mandatory recoupment, under circumstances set forth in such Applicable Laws.

Furthermore, if the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under Applicable Laws, the natural persons subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002 and any Grantee who knowingly engaged in the misconduct, was grossly negligent in engaging in the misconduct, knowingly failed to prevent the misconduct, or was grossly negligent in failing to prevent the misconduct, shall reimburse the Company the amount of any payment in settlement of an Award earned or accrued during the twelve (12)-month period following the first public issuance or filing (whichever first occurred) with the United States Securities and Exchange Commission of the financial document that contained such material noncompliance.

Notwithstanding any other provision of this Plan or any provision of any Award Agreement, if the Company is required to prepare an accounting restatement, then a Grantee shall forfeit any cash or Stock received in connection with an Award (or an amount equal to the Fair Market Value of such Stock on the date of delivery if the Grantee no longer holds the shares of Stock) if, pursuant to the terms of the Award Agreement for such Award, the amount of the Award earned or the vesting in the Award was explicitly based on the achievement of pre-established performance goals set forth in the Award Agreement (including earnings, gains, or other criteria) that are later determined, as a result of the accounting restatement, not to have been achieved.

3.5 No Repricing.

Except in connection with a corporate transaction involving the Company (including, without limitation, any stock dividend, distribution (whether in the form of cash, shares of Stock, other securities, or other property), stock split, extraordinary dividend, recapitalization, Change in Control, reorganization,

merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares of Stock, or other securities or similar transaction), the Company may not, in each case, unless such action would not be deemed to be a repricing under the rules of any Stock Exchange or Securities Market on which the Stock is listed or publicly traded, without obtaining shareholder approval: (i) amend the terms of outstanding Options or SARs to reduce the Option Price or SAR Price, as applicable, of such outstanding Options or SARs; (ii) cancel outstanding Options or SARs in exchange for or substitution of Options or SARs with an Option Price or SAR Price, as applicable, that is less than the Option Price or SAR Price, as applicable, of the original Options or SARs; or (iii) cancel outstanding Options or SARs with an Option Price or SAR Price, as applicable, above the current Fair Market Value in exchange for cash or other securities.

3.6 Deferral Arrangement.

The Committee may permit or require the deferral of any payment pursuant to an Award into a deferred compensation arrangement, subject to such rules and procedures as it may establish, which may include provisions for the payment or crediting of interest or Dividend Equivalent Rights and, in connection therewith, provisions for converting such credits into Deferred Stock Units and for restricting deferrals to comply with hardship distribution rules affecting tax-qualified retirement plans subject to Code Section 401(k)(2)(B)(IV); provided that no Dividend Equivalent Rights may be granted in connection with, or related to, an Award of Options or SARs. Any such deferrals shall be made in a manner that complies with Code Section 409A, including, if applicable, with respect to when a Separation from Service occurs.

3.7 No Liability.

No member of the Board or the Committee shall be liable for any action or determination made in good faith with respect to the Plan, any Award, or any Award Agreement. Notwithstanding any provision of the Plan to the contrary, neither the Company, an Affiliate, the Board, the Committee, nor any person acting on behalf of the Company, an Affiliate, the Board, or the Committee will be liable to any Grantee or to the estate or beneficiary of any Grantee or to any other holder of an Award under the Plan by reason of any acceleration of income, or any additional tax (including any interest and penalties), asserted by reason of the failure of an Award to satisfy the requirements of Code Section 422 or Code Section 409A or by reason of Code Section 4999, or otherwise asserted with respect to the Award; *provided* that this Section 3.7 shall not affect any of the rights or obligations set forth in an applicable agreement between the Grantee and the Company or an Affiliate.

3.8 Stock Issuance/Book-Entry.

Notwithstanding any provision of the Plan to the contrary, the ownership of the shares of Stock issued under the Plan may be evidenced in such a manner as the Committee, in its sole discretion, deems appropriate, including, without limitation, book-entry or direct registration or the issuance of one or more share certificates.

4. STOCK SUBJECT TO THE PLAN

4.1 Number of Shares of Stock Reserved for Awards.

Subject to adjustment as provided in Section 4.2 and Section 17, the number of shares of Stock reserved for issuance under the Plan will be equal to the sum of (i) seven hundred thousand (700,000) shares of Stock, plus (ii) the number of shares of Stock available for future awards under the Prior Plan as of the Amendment Date, plus (iii) the number of shares of Stock related to awards outstanding under the Prior Plan as of the Amendment Date that thereafter terminate by expiration or forfeiture, cancellation, or otherwise without the issuance of such shares of Stock (the "Share Limit"). Any of the shares of Stock reserved and available for issuance under the Plan may be used for any type of Award under the Plan, and any or all of the shares of Stock reserved for issuance under the Plan shall be available for issuance pursuant to Incentive Stock Options. Shares of Stock to be issued under the Plan shall be authorized but unissued shares or, to the extent permitted by Applicable Laws, issued shares that have been reacquired by the Company.

4.2 Adjustments in Authorized Shares of Stock.

In connection with mergers, reorganizations, separations, or other transactions to which Code Section 424(a) applies, the Committee shall have the right to cause the Company to assume awards previously granted under a compensatory plan of another business entity that is a party to such transaction and/or to grant Substitute Awards under the Plan for such awards. The Share Limit pursuant to Section 4.1 shall be increased by the number of shares of Stock subject to any such assumed awards and Substitute Awards. Shares available for issuance under a shareholder-approved plan of a business entity that is a party to such transaction (as appropriately adjusted, if necessary, to reflect the transaction) may be used for Awards under the Plan and shall not reduce the number of shares of Stock available for issuance under the Plan, subject to applicable requirements of any Stock Exchange or Securities Market on which the Stock is listed or publicly traded.

4.3 Share Usage.

Shares of Stock covered by an Award shall be counted as used as of the Grant Date for purposes of calculating the number of shares of Stock available for issuance under Section 4.1. Any shares of Stock that are subject to Awards shall be counted against the Share Limit set forth in Section 4.1 as one (1) share of Stock for every one (1) share of Stock subject to an Award. With respect to SARs, the number of shares of Stock subject to an award of SARs will be counted against the Share Limit set forth in Section 4.1 as one (1) share of Stock for every one (1) share of Stock subject to such Award regardless of the number of shares of Stock actually issued to settle the SAR upon exercise. The target number of shares issuable under a Performance Award shall be counted against the Share Limit set forth in Section 4.1 as of the Grant Date, but such number shall be adjusted to equal the actual number of shares issued upon settlement of the Performance Award to the extent different from such target number of shares.

If any shares of Stock covered by an Award granted under the Plan are not purchased or are forfeited or expire, or if an Award otherwise terminates without delivery of any shares of Stock subject thereto or is settled in cash in lieu of shares of Stock, then the number of shares of Stock counted against the Share Limit with respect to such Award shall, to the extent of any such forfeiture, termination, expiration, or settlement, again be available for making Awards under the Plan in the same amount as such shares of Stock were counted against the Share Limit set forth in Section 4.1. The number of shares of Stock available for issuance under the Plan shall not be increased by the number of shares of Stock (i) tendered, withheld, or subject to an Award surrendered in connection with the purchase of shares of Stock upon exercise of an Option, (ii) deducted or delivered from payment of an Award payment in connection with the Company's tax withholding obligations as described in Section 18.3, (iii) purchased by the Company with proceeds from Option exercises, or (iv) not issued upon the net settlement or net exercise of a Stock-settled SAR.

5. TERM; AMENDMENT, SUSPENSION, AND TERMINATION

5.1 Term.

The Plan, as amended and restated, shall become effective as of the Amendment Date. Following the Amendment Date, no awards shall be made under the Prior Plan. Notwithstanding the foregoing, shares of Stock reserved under the Prior Plan to settle awards, including performance-based awards, which are made under the Prior Plan prior to the Amendment Date may be issued and delivered following the Amendment Date to settle such awards. The Plan shall terminate on the first to occur of (i) the tenth (10th) anniversary of the Amendment Date, (ii) the date determined in accordance with Section 5.2, and (iii) the date determined in accordance with Section 17.3; *provided, however*, that Incentive Stock Options may not be granted under the Plan after the tenth (10th) anniversary of the date of the Board's adoption of the Plan. Upon such termination of the Plan, all outstanding Awards shall continue to have full force and effect in accordance with the provisions of the terminated Plan and the applicable Award Agreement (or other documents evidencing such Awards).

5.2 Amendment, Suspension, and Termination of the Plan.

The Board may, at any time and from time to time, amend, suspend, or terminate the Plan; provided that, with respect to Awards theretofore granted under the Plan, no amendment, suspension, or termination

of the Plan shall, without the consent of the Grantee, impair the rights or obligations under any such Award. An amendment shall be contingent on approval of the Company's shareholders to the extent stated by the Board or required by Applicable Laws (including applicable Stock Exchange listing requirements); *provided* that no amendment will be made to the no-repricing provisions of Section 3.5 or the option pricing provisions of Section 8.1 without the approval of the Company's shareholders.

6. AWARD ELIGIBILITY AND LIMITATIONS

6.1 Service Providers and Other Persons.

Subject to this Section 6, Awards may be made under the Plan to: (i) any Service Provider, as the Committee shall determine and designate from time to time, and (ii) any other individual whose participation in the Plan is determined to be in the best interests of the Company by the Committee.

6.2 Limitation on Shares of Stock Subject to Awards and Cash Awards.

During any time when the Company has a class of equity securities registered under Section 12 of the Exchange Act:

- (i) the maximum number of shares of Stock subject to Options or SARs that may be granted under the Plan in a calendar year to any person eligible for an Award under Section 6 is one hundred-ten thousand (110,000); provided, however, that the maximum number of shares of Stock subject to Options or SARs that can be granted under the Plan to any person eligible for an Award under Section 6 in the year the person is first employed by the Company is two hundred-twenty thousand (220,000); and
- (ii) the maximum number of shares of Stock that may be granted under the Plan, other than pursuant to Options or SARs, in a calendar year to any person eligible for an Award under Section 6 is one hundred-ten thousand (110,000) shares; provided, however, that the maximum number of shares of Stock subject to Awards other than Options or SARs that can be granted under the Plan to any person eligible for an Award under Section 6 in the year that the person is first employed by the Company is two hundred-twenty thousand (220,000).
- (iii) the maximum amount that may be granted as an Annual Cash Profit Share (whether or not cash-settled) in a calendar year to any person eligible for an Award under Section 6 shall be five million five hundred thousand dollars (\$5,500,000), and the maximum amount that may be paid as a cash-denominated Performance Award (whether or not cash-settled) in respect of a Performance Period greater than one year by any person eligible for an Award under Section 6 shall be twenty two million dollars (\$22,000,000).
- (iv) the maximum grant date fair value of any Award that may be granted under the Plan pursuant to any Award in a calendar year to any Non-Employee Directors shall be \$750,000.

6.3 Stand-Alone, Additional, Tandem and Substitute Awards.

Subject to Section 3.4, Awards granted under the Plan may, in the sole discretion of the Committee, be granted either alone or in addition to, in tandem with, or in substitution or exchange for, (i) any other Award, (ii) any award granted under another plan of the Company, any Affiliate, or any business entity that has been a party to a transaction with the Company or an Affiliate, or (iii) any other right of a Grantee to receive payment from the Company or any Affiliate. Such additional, tandem, exchange, or Substitute Awards may be granted at any time. If an Award is granted in substitution or exchange for another Award or for an award granted under another plan of the Company, an Affiliate, or any business entity that has been a party to a transaction with the Company or an Affiliate, the Committee shall require the surrender of such other Award or award under such other plan in consideration for the grant of such exchange or Substitute Award. In addition, Awards may be granted in lieu of cash compensation, including in lieu of cash amounts payable under other plans of the Company or any Affiliate. Notwithstanding Section 8.1 and Section 9.1 but subject to Section 3.5, the Option Price of an Option or the SAR Price of an SAR that is a Substitute Award may be less than one hundred percent (100%) of the Fair Market Value of a share of Stock

on the original Grant Date; *provided* , that the Option Price or SAR Price is determined in accordance with the principles of Code Section 424 and the regulations thereunder for any Incentive Stock Option and consistent with Code Section 409A for any other Option or SAR.

7. AWARD AGREEMENT

Each Award granted pursuant to the Plan shall be evidenced by an Award Agreement, in such form or forms as the Committee shall from time to time determine. Award Agreements utilized from time to time or at the same time need not contain similar provisions but shall be consistent with the terms of the Plan. Each Award Agreement evidencing an Award of Options shall specify whether such Options are intended to be Non-qualified Stock Options or Incentive Stock Options, and in the absence of such specification such options shall be deemed Non-qualified Stock Options. In the event of any inconsistency between the Plan and an Award Agreement, the provisions of the Plan shall control.

8. TERMS AND CONDITIONS OF OPTIONS

8.1 Option Price.

The Option Price of each Option shall be fixed by the Committee and stated in the Award Agreement evidencing such Option. Except in the case of Substitute Awards, the Option Price of each Option shall be at least the Fair Market Value of one (1) share of Stock on the Grant Date; *provided* , *however* , that in the event that a Grantee is a Ten Percent Shareholder, the Option Price of an Option granted to such Grantee that is intended to be an Incentive Stock Option shall be not less than one hundred ten percent (110%) of the Fair Market Value of one (1) share of Stock on the Grant Date. In no case shall the Option Price of any Option be less than the par value of a share of Stock.

8.2 Vesting and Exercisability.

Subject to Sections 8.3 and 17.3, each Option granted under the Plan shall become vested and/or exercisable at such times and under such conditions as shall be determined by the Committee and stated in the Award Agreement, in another agreement with the Grantee, or otherwise in writing; *provided* that no Option shall be granted to Grantees who are entitled to overtime under Applicable Laws that will vest or be exercisable within a six (6)-month period starting on the Grant Date. For purposes of this Section 8.2, fractional numbers of shares of Stock subject to an Option shall be rounded down to the next nearest whole number.

8.3 Term.

Each Option granted under the Plan shall terminate, and all rights to purchase shares of Stock thereunder shall cease, on the tenth (10th) anniversary of the Grant Date, or under such circumstances and on such date prior thereto as is set forth in the Plan or as may be fixed by the Committee and stated in the Award Agreement relating to such Option; *provided* , *however* , that in the event that the Grantee is a Ten Percent Shareholder, an Option granted to such Grantee that is intended to be an Incentive Stock Option shall not be exercisable after the fifth (5th) anniversary of the Grant Date of such Option, and *provided* , *further* , that, to the extent deemed necessary or appropriate by the Committee to reflect differences in local law, tax policy, or custom with respect to any Option granted to a Grantee who is a foreign national or is a natural person who is employed outside the United States, such Option may terminate, and all rights to purchase shares of Stock thereunder may cease, upon the expiration of a period longer than ten (10) years from the Grant Date of such Option as the Committee shall determine. If on the day preceding the date on which a Grantee's Options would otherwise terminate, the Fair Market Value of shares of stock underlying a Grantee's Options is greater than the Option Price of such Options, the Company shall, prior to the termination of such Options and without any action being taken on the part of the Grantee, consider such Options to have been exercised by the Grantee. The Company shall deduct from the shares of Stock deliverable to the Grantee upon such exercise the number of shares of Stock necessary to satisfy payment of the Option Price and all withholding obligations.

8.4 Termination of Service.

Each Award Agreement with respect to the grant of an Option shall set forth the extent to which the Grantee thereof, if at all, shall have the right to exercise the Option following termination of the Grantee's Service. Such provisions shall be determined in the sole discretion of the Committee, need not be uniform among all Options issued pursuant to the Plan, and may reflect distinctions based on the reasons for termination of Service.

8.5 Limitations on Exercise of Option.

Notwithstanding any provision of the Plan to the contrary, in no event may any Option be exercised, in whole or in part, after the occurrence of an event referred to in Section 17, which results in termination of the Option.

8.6 Method of Exercise.

Subject to the terms of Section 12 and Section 18.3, an Option that is exercisable may be exercised by the Grantee's delivery to the Company or its designee or agent of notice of exercise on any business day, at the Company's principal office or the office of such designee or agent, on the form specified by the Company and in accordance with any additional procedures specified by the Committee. Such notice shall specify the number of shares of Stock with respect to which the Option is being exercised and shall be accompanied by payment in full of the Option Price of the shares of Stock for which the Option is being exercised, plus the amount (if any) of federal and/or other taxes which the Company may, in its judgment, be required to withhold with respect to the exercise of such Option.

8.7 Rights of Holders of Options.

Unless otherwise stated in the applicable Award Agreement, a Grantee or other person holding or exercising an Option shall have none of the rights of a shareholder (for example, the right to receive cash or dividend payments or distributions attributable to the shares of Stock subject to such Option or to direct the voting of the shares of Stock subject to such Option) until the shares of Stock subject thereby are fully paid and issued to such Grantee or other person. Except as provided in Section 17, no adjustment shall be made for dividends, distributions, or other rights for which the record date is prior to the date of issuance of such shares of Stock.

8.8 Delivery of Stock.

Promptly after the exercise of an Option by a Grantee and the payment in full of the Option Price with respect thereto, such Grantee shall be entitled to receive evidence of such Grantee's ownership of the shares of Stock subject to the Option as shall be consistent with Section 3.8.

8.9 Transferability of Options.

Except as provided in Section 8.10, during the lifetime of a Grantee of an Option, only the Grantee (or, in the event of such Grantee's legal incapacity or incompetency, the Grantee's guardian or legal representative) may exercise such Option. Except as provided in Section 8.10, no Option shall be assignable or transferable by the Grantee to whom it is granted, other than by will or the laws of descent and distribution.

8.10 Family Transfers.

If authorized in the applicable Award Agreement and by the Committee, in its sole discretion, a Grantee may transfer, not for value, all or part of an Option which is not an Incentive Stock Option to any Family Member. For the purpose of this Section 8.10, a "not for value" transfer is a transfer which is (i) a gift, (ii) a transfer under a domestic relations order in settlement of marital property rights; or (iii) unless Applicable Law does not permit such transfers, a transfer to an entity in which more than fifty percent (50%) of the voting interests are owned by Family Members (and/or the Grantee) in exchange for an interest in that entity. Following a transfer under this Section 8.10, any such Option shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, and shares of Stock acquired

pursuant to the Option shall be subject to the same restrictions on transfer of shares as would have applied to the Grantee. Subsequent transfers of transferred Options shall be prohibited except to Family Members of the original Grantee in accordance with this Section 8.10 or by will or the laws of descent and distribution. The provisions of Section 8.4 relating to termination of Service shall continue to be applied with respect to the original Grantee, following which the Option shall be exercisable by the transferee only to the extent, and for the periods specified, in Section 8.4.

8.11 Limitations on Incentive Stock Options.

An Option shall constitute an Incentive Stock Option only (i) if the Grantee of such Option is an employee of the Company or any corporate Subsidiary; (ii) to the extent specifically provided in the related Award Agreement; and (iii) to the extent that the aggregate Fair Market Value (determined at the time the Option is granted) of the shares of Stock with respect to which all Incentive Stock Options held by such Grantee become exercisable for the first time during any calendar year (under the Plan and all other plans of the Company and its Affiliates) does not exceed one hundred thousand dollars (\$100,000). Except to the extent provided in the regulations under Code Section 422, this limitation shall be applied by taking Options into account in the order in which they were granted.

8.12 Notice of Disqualifying Disposition.

If any Grantee shall make any disposition of shares of Stock issued pursuant to the exercise of an Incentive Stock Option under the circumstances described in Code Section 421(b) (relating to certain disqualifying dispositions), such Grantee shall notify the Company of such disposition immediately but in no event later than ten (10) days thereafter.

9. TERMS AND CONDITIONS OF STOCK APPRECIATION RIGHTS

9.1 Right to Payment and Grant Price.

A SAR shall confer on the Grantee to whom it is granted a right to receive, upon exercise thereof, the excess of (i) the Fair Market Value of one (1) share of Stock on the date of exercise over (ii) the SAR Price as determined by the Committee. The Award Agreement for a SAR shall specify the SAR Price, which shall be no less than the Fair Market Value of one (1) share of Stock on the Grant Date of such SAR. SARs may be granted in tandem with all or part of an Option granted under the Plan or at any subsequent time during the term of such Option, in combination with all or part of any other Award, or without regard to any Option or other Award; *provided*, that a SAR that is granted in tandem with all or part of an Option will have the same term, and expire at the same time, as the related Option; *provided*, *further*, that a SAR that is granted subsequent to the Grant Date of a related Option must have a SAR Price that is no less than the Fair Market Value of one (1) share of Stock on the Grant Date of such SAR.

9.2 Other Terms.

The Committee shall determine, on the Grant Date or thereafter, the time or times at which and the circumstances under which a SAR may be exercised in whole or in part (including based on achievement of performance goals and/or future Service requirements); the time or times at which SARs shall cease to be or become exercisable following termination of Service or upon other conditions; the method of exercise, method of settlement, form of consideration payable in settlement, method by or forms in which shares of Stock shall be delivered or deemed to be delivered to Grantees, whether or not a SAR shall be in tandem or in combination with any other Award; and any other terms and conditions of any SAR; *provided*, that no SARs shall be granted to Grantees who are entitled to overtime under Applicable Laws that will vest or be exercisable within a six (6)-month period starting on the Grant Date.

9.3 Term.

Each SAR granted under the Plan shall terminate, and all rights thereunder shall cease, on the tenth (10th) anniversary of the Grant Date of such SAR, or under such circumstances and on such date prior thereto as is set forth in the Plan or as may be fixed by the Committee and stated in the Award Agreement relating to such SAR. If on the day preceding the date on which a Grantee's SAR would otherwise

terminate, the Fair Market Value of shares of stock underlying a Grantee's SAR is greater than the SAR Price, the Company shall, prior to the termination of such SAR and without any action being taken on the part of the Grantee, consider such SAR to have been exercised by the Grantee.

9.4 Rights of Holders of SARs.

Unless otherwise stated in the applicable Award Agreement, a Grantee or other person holding or exercising a SAR shall have none of the rights of a shareholder of the Company (for example, the right to receive cash or dividend payments or distributions attributable to the shares of Stock subject to such SAR or to direct the voting of the shares of Stock subject to such SAR) until, if applicable, the shares of Stock subject thereby are fully paid and issued to such Grantee or other person. Except as provided in Section 17, no adjustment shall be made for dividends, distributions, or other rights for which the record date is prior to the date of issuance of such shares of Stock, if applicable.

9.5 Transferability of SARs.

Except as provided in Section 9.6, during the lifetime of a Grantee of a SAR, only the Grantee (or, in the event of such Grantee's legal incapacity or incompetency, the Grantee's guardian or legal representative) may exercise such SAR. Except as provided in Section 9.6, no SAR shall be assignable or transferable by the Grantee to whom it is granted, other than by will or the laws of descent and distribution.

9.6 Family Transfers.

If authorized in the applicable Award Agreement and by the Committee, in its sole discretion, a Grantee may transfer, not for value, all or part of a SAR to any Family Member. For the purpose of this Section 9.6, a "not for value" transfer is a transfer which is (i) a gift, (ii) a transfer under a domestic relations order in settlement of marital property rights; or (iii) unless Applicable Law does not permit such transfers, a transfer to an entity in which more than fifty percent (50%) of the voting interests are owned by Family Members (and/or the Grantee) in exchange for an interest in that entity. Following a transfer under this Section 9.6, any such SAR shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer, and shares of Stock acquired pursuant to a SAR, if any, shall be subject to the same restrictions on transfer of shares as would have applied to the Grantee. Subsequent transfers of transferred SARs are prohibited except to Family Members of the original Grantee in accordance with this Section 9.6 or by will or the laws of descent and distribution.

10. TERMS AND CONDITIONS OF RESTRICTED STOCK, STOCK UNITS, AND DEFERRED STOCK UNITS

10.1 Grant of Restricted Stock, Stock Units, or Deferred Stock Units.

Awards of Restricted Stock, Stock Units, and Deferred Stock Units may be made for consideration, such as a Purchase Price, or no consideration, other than par value of the shares of Stock, which may be deemed paid by past or future Services to the Company or an Affiliate.

10.2 Restrictions.

At the time a grant of Restricted Stock, Stock Units, or Deferred Stock Units is made, the Committee may, in its sole discretion, (a) establish a Restricted Period applicable to such Restricted Stock, Stock Units, or Deferred Stock Units and (b) prescribe restrictions in addition to or other than the expiration of the Restricted Period, including the achievement of corporate or individual performance goals, which may be applicable to all or any portion of such Restricted Stock, Stock Units, or Deferred Stock Units as provided in Section 14.

10.3 Registration; Restricted Stock Certificates.

Subject to Section 3.8 and the immediately following sentence, the Company may issue, in the name of each Grantee to whom Restricted Stock has been granted, certificates representing the total number of shares of Restricted Stock granted to the Grantee, as soon as reasonably practicable after the Grant Date of such

Restricted Stock. The Committee may provide in an Award Agreement with respect to an Award of Restricted Stock that either (i) the Secretary of the Company shall hold such certificates for such Grantee's benefit until such time as such shares of Restricted Stock are forfeited to the Company or the restrictions applicable thereto lapse and such Grantee shall deliver a stock power to the Company with respect to each certificate, or (ii) such certificates shall be delivered to such Grantee, provided that such certificates shall bear legends that comply with Applicable Laws and make appropriate reference to the restrictions imposed on such Award of Restricted Stock under the Plan and such Award Agreement. Pursuant to Section 3.8, to the extent that ownership of Restricted Stock is evidenced by a book-entry registration or direct registration (including transaction advices), such registration will contain an appropriate legend or restriction similar to the foregoing to evidence the restrictions imposed on such Award of Restricted Stock under the Plan and the applicable Award Agreement.

10.4 Rights of Holders of Restricted Stock.

Unless the Committee provides otherwise in an Award Agreement and subject to the restrictions set forth in the Plan, any applicable Company program, and the applicable Award Agreement, holders of Restricted Stock shall have the right to vote such shares of Restricted Stock and the right to receive any dividend payments or distributions declared or paid with respect to such shares of Restricted Stock. The Committee may provide in an Award Agreement evidencing a grant of Restricted Stock that (i) any cash dividend payments or distributions paid on Restricted Stock may be reinvested in shares of Stock, which may or may not be subject to the same vesting conditions and restrictions as applicable to such underlying shares of Restricted Stock or (ii) any dividend payments or distributions declared or paid on shares of Restricted Stock shall only be made or paid upon satisfaction of the vesting conditions and restrictions applicable to such shares of Restricted Stock. Dividend payments or distributions declared or paid on shares of Restricted Stock which vest or are earned based upon the achievement of performance goals shall not vest or be paid unless such performance goals for such shares of Restricted Stock are achieved. Alternatively, dividends may be paid on Restricted Stock which vests based on achievement of performance goals, *provided that* such dividends shall be subject to repayment in the event the performance goals for the underlying shares of Restricted Stock are not achieved. All stock dividend payments or distributions, if any, received by a Grantee with respect to shares of Restricted Stock as a result of any stock split, stock dividend, combination of stock, or other similar transaction shall be subject to the same vesting conditions and restrictions as applicable to such underlying shares of Restricted Stock.

10.5 Rights of Holders of Stock Units and Deferred Stock Units.

10.5.1. Voting and Dividend Rights.

Unless otherwise stated in the applicable Award Agreement, a Grantee or other person holding Stock Units or Deferred Stock Units shall have none of the rights of a shareholder of the Company (for example, the right to receive cash or dividend payments or distributions attributable to the shares of Stock subject to such Award or to direct the voting of the shares of Stock subject to such Award) until, if applicable, the shares of Stock subject thereby are fully paid and issued to such Grantee or other person. The Committee may provide in an Award Agreement evidencing a grant of Stock Units or Deferred Stock Units that the holder of such Stock Units or Deferred Stock Units, as applicable, shall be entitled to receive Dividend Equivalent Rights, in accordance with Section 13.

10.5.2. Creditor's Rights.

A holder of Stock Units or Deferred Stock Units shall have no rights other than those of a general, unsecured creditor of the Company. Stock Units and Deferred Stock Units represent unfunded and unsecured obligations of the Company, subject to the terms and conditions of the applicable Award Agreement.

10.6 Termination of Service.

Unless the Committee provides otherwise in an Award Agreement, in another agreement with the Grantee, or otherwise in writing after the Award Agreement is issued, but prior to termination of the

Grantee's Service, upon the termination of a Grantee's Service, any Restricted Stock, Stock Units, or Deferred Stock Units held by such Grantee that have not vested, or with respect to which all applicable restrictions and conditions have not lapsed, shall immediately be deemed forfeited. Upon forfeiture of such Restricted Stock, Stock Units, or Deferred Stock Units, the Grantee shall have no further rights with respect to such Award, including, without limitation, any right to vote such Restricted Stock or any right to receive dividends or Dividend Equivalent Rights, as applicable, with respect to such Restricted Stock, Stock Units, or Deferred Stock Units.

10.7 Purchase of Restricted Stock and Shares of Stock Subject to Stock Units and Deferred Stock Units.

The Grantee of an Award of Restricted Stock, vested Stock Units, or vested Deferred Stock Units shall be required, to the extent required by Applicable Laws, to purchase such Restricted Stock or the shares of Stock subject to such vested Stock Units or Deferred Stock Units from the Company at a Purchase Price equal to the greater of (i) the aggregate par value of the shares of Stock represented by such Restricted Stock, vested Stock Units, or vested Deferred Stock Units, or (ii) the Purchase Price, if any, specified in the Award Agreement relating to such Restricted Stock, Stock Units, or Deferred Stock Units. The Purchase Price shall be payable in a form described in Section 12 or, in the discretion of the Committee, in consideration for past or future Services rendered or to be rendered to the Company or an Affiliate.

10.8 Delivery of Shares of Stock.

No later than thirty (30) days following the expiration or termination of any Restricted Period and the satisfaction of any other conditions prescribed by the Committee, including, without limitation, any performance goals or delayed delivery period, the restrictions applicable to Restricted Stock and to Stock Units or Deferred Stock Units settled in shares of Stock shall lapse, and, unless otherwise provided in the applicable Award Agreement, a book-entry or direct registration (including transaction advices) or a certificate evidencing ownership of such shares of Stock shall, consistent with Section 3.8, be issued, free of all such restrictions, to the Grantee thereof or such Grantee's beneficiary or estate, as the case may be. Neither the Grantee, nor the Grantee's beneficiary or estate, shall have any further rights with regard to a Stock Unit or Deferred Stock Unit once the shares of Stock represented by such Stock Unit or Deferred Stock Unit have been delivered in accordance with this Section 10.8.

11. TERMS AND CONDITIONS OF UNRESTRICTED STOCK AWARDS AND OTHER EQUITY-BASED AWARDS

11.1 Unrestricted Stock.

The Committee may, in its sole discretion, grant (or sell at the par value of a share of Stock or such other higher Purchase Price determined by the Committee) an Award to any Grantee pursuant to which such Grantee may receive shares of Unrestricted Stock under the Plan, subject to the five percent (5%) share issuance limit set forth in Section 3.3. Awards of Unrestricted Stock may be granted or sold as described in the preceding sentence in respect of past or future Services or other valid consideration, in lieu of or in addition to any cash compensation due to such Grantee.

11.2 Other Equity-Based Awards.

The Committee may, in its sole discretion, grant Awards in the form of Other Equity-Based Awards, as deemed by the Committee to be consistent with the purposes of the Plan. Awards granted pursuant to this Section 11.2 may be granted with vesting, value, and/or payment contingent upon the achievement of one or more performance goals. The Committee shall determine the terms and conditions of Other Equity-Based Awards on the Grant Date or thereafter. Unless the Committee provides otherwise in an Award Agreement, in another agreement with the Grantee, or otherwise in writing after the Award Agreement is issued, but prior to termination of Grantee's Service, upon the termination of a Grantee's Service, any Other Equity-Based Awards held by such Grantee that have not vested, or with respect to which all applicable restrictions and conditions have not lapsed, shall immediately be deemed forfeited. Upon forfeiture of any Other Equity-Based Award, the Grantee shall have no further rights with respect to such Other Equity-Based Award.

12. FORM OF PAYMENT FOR OPTIONS AND RESTRICTED STOCK

12.1 General Rule.

Payment of the Option Price for the shares of Stock purchased pursuant to the exercise of an Option or the Purchase Price, if any, for Restricted Stock, vested Stock Units, or vested Deferred Stock Units shall be made in cash or in cash equivalents acceptable to the Company.

12.2 Surrender of Shares of Stock.

To the extent the applicable Award Agreement so provides, payment of the Option Price for shares of Stock purchased pursuant to the exercise of an Option or the Purchase Price, if any, for Restricted Stock, vested Stock Units, or vested Deferred Stock Units may be made all or in part through the tender or attestation to the Company of shares of Stock, which shall be valued, for purposes of determining the extent to which the Option Price or Purchase Price has been paid thereby, at their Fair Market Value on the date of such tender or attestation.

12.3 Cashless Exercise.

To the extent permitted by Applicable Laws and to the extent the Award Agreement so provides, payment of the Option Price for shares of Stock purchased pursuant to the exercise of an Option may be made all or in part by delivery (on a form acceptable to the Committee) of an irrevocable direction to a licensed securities broker acceptable to the Company to sell shares of Stock and to deliver all or part of the sales proceeds to the Company in payment of the Option Price and/or any withholding taxes described in Section 18.3.

12.4 Other Forms of Payment.

To the extent the Award Agreement so provides, payment of the Option Price for shares of Stock purchased pursuant to exercise of an Option or the Purchase Price, if any, for Restricted Stock, vested Stock Units, or vested Deferred Stock Units may be made in any other form that is consistent with Applicable Laws, including, without limitation, (i) with respect to Restricted Stock and/or vested Deferred Stock Units only, Service rendered or to be rendered by the Grantee thereof to the Company or an Affiliate and (ii) with the consent of the Company, by withholding the number of shares of Stock that would otherwise vest or be issuable in an amount equal in value to the Option Price or Purchase Price, if any, and/or any withholding taxes described in Section 18.3.

13. TERMS AND CONDITIONS OF DIVIDEND EQUIVALENT RIGHTS

13.1 Dividend Equivalent Rights.

A Dividend Equivalent Right may be granted hereunder; *provided* that no Dividend Equivalent Right may be granted in connection with, or related to, an Award of Options or SARs. The terms and conditions of Dividend Equivalent Rights shall be specified in the Award Agreement therefor. Dividend equivalents credited to the holder of a Dividend Equivalent Right may be paid currently (with or without being subject to forfeiture or a repayment obligation) or may be deemed to be reinvested in additional shares of Stock or Awards, which may thereafter accrue additional Dividend Equivalent Rights (with or without being subject to forfeiture or a repayment obligation). Any such reinvestment shall be at the Fair Market Value on the date of such reinvestment. Dividend Equivalent Rights may be settled in cash, shares of Stock, or a combination thereof, in a single installment or in multiple installments, all as determined in the sole discretion of the Committee. A Dividend Equivalent Right granted as a component of another Award may (i) provide that such Dividend Equivalent Right shall be settled upon settlement, or payment of, or lapse of restrictions on, such other Award and that such Dividend Equivalent Right shall expire or be forfeited or annulled under the same conditions as such other Award or (ii) contain terms and conditions which are different from the terms and conditions of such other Award; *provided, however*, that Dividend Equivalent rights credited pursuant to a Dividend Equivalent Right granted as a component of another Award which vests or is earned based upon the achievement of performance goals shall not vest or be paid unless the performance goals for such underlying Award are achieved.

13.2 Termination of Service.

Unless the Committee provides otherwise in an Award Agreement, in another agreement with the Grantee, or otherwise in writing after the Award Agreement is issued, a Grantee's rights in all Dividend Equivalent Rights shall automatically terminate upon the Grantee's termination of Service for any reason.

14. TERMS AND CONDITIONS OF PERFORMANCE AWARDS AND ANNUAL CASH PROFIT SHARES

14.1 Grant of Performance Awards and Annual Cash Profit Shares.

Subject to the terms and provisions of this Plan, the Committee, at any time and from time to time, may grant Performance Awards and/or Annual Cash Profit Shares in such amounts and upon such terms as the Committee shall determine.

14.2 Value of Performance Awards and Annual Cash Profit Shares.

Each Performance Award and Annual Cash Profit Share shall have an initial cash value or an actual or target number of shares of Stock that is established by the Committee as of the Grant Date. The Committee shall set performance goals in its discretion, which, depending on the extent to which they are achieved, shall determine the value and/or number of shares of Stock that will be paid out to the Grantee thereof.

14.3 Earning of Performance Awards and Annual Cash Profit Shares.

Subject to the terms of this Plan, after the applicable Performance Period has ended, the Grantee of Performance Awards or Annual Cash Profit Shares shall be entitled to receive a payout of the value earned under such Performance Awards or Annual Cash Profit Shares by such Grantee over the Performance Period, to be determined as a function of the extent to which the corresponding performance goals have been achieved.

14.4 Form and Timing of Payment of Performance Awards and Annual Cash Profit Shares.

Payment of the value earned under Performance Awards and Annual Cash Profit Shares shall be made, as determined by the Committee, in the form, at the time, and in the manner described in the applicable Award Agreement. Subject to the terms of this Plan, the Committee, in its sole discretion, (i) may pay the value earned under Performance Awards in the form of cash, shares of Stock, other Awards, or in a combination thereof, including shares of Stock and/or other Awards that are subject to any restrictions deemed appropriate by the Committee, and (ii) shall pay the value earned under Performance Awards and Annual Cash Profit Shares at the close of the applicable Performance Period, or as soon as reasonably practicable after the Committee has determined that the performance goal or goals relating thereto have been achieved; *provided* that, unless specifically provided in the Award Agreement, such payment shall occur no later than the fifteenth (15th) day of the third (3rd) month following the end of the calendar year in which the Performance Period ends.

14.5 Performance Conditions.

The right of a Grantee to exercise or receive a grant or settlement of any Award, and the timing thereof, may be subject to such performance conditions as may be specified by the Committee. The Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance conditions.

14.5.1. Performance Goals Generally.

The performance goals for Performance Awards or Annual Cash Profit Shares shall consist of one or more business criteria and a targeted level or levels of performance with respect to each of such criteria, as specified by the Committee. The Committee may determine that such Awards shall be granted, exercised, and/or settled upon achievement of any single performance goal or of two (2) or more performance goals. Performance goals may differ for Awards granted to any one Grantee or to different Grantees.

14.5.2. Settlement of Awards; Other Terms.

Settlement of such Awards shall be in cash, shares of Stock, other Awards, or a combination thereof, including shares of Stock and/or Awards that are subject to any restrictions deemed appropriate by the Committee, in each case as determined in the sole discretion of the Committee. The Committee may, in its sole discretion, reduce the amount of a settlement otherwise to be made in connection with such Awards. The Committee shall specify the circumstances in which such Performance Awards or Annual Cash Profit Shares shall be paid or forfeited in the event of termination of Service by the Grantee prior to the end of a Performance Period or settlement of such Awards. In the event payment of a Performance Award is made in the form of another Award subject to Service-based vesting, the Committee shall specify the circumstances in which the payment Award will be paid or forfeited in the event of a termination of Service.

14.5.3. Performance Measures.

The performance goals upon which the payment or vesting of a Performance Award or Annual Cash Profit Share to any Grantee may be conditioned include, but are not limited to, the following Performance Measures, with or without adjustment (including pro forma adjustments):

- (a) net earnings or net income;
- (b) operating earnings;
- (c) pretax earnings;
- (d) earnings per share of Stock;
- (e) total shareholder return;
- (f) earnings before interest and taxes;
- (g) earnings before interest, taxes, depreciation and/or amortization;
- (h) earnings before interest, taxes, depreciation, and/or amortization as adjusted to exclude any one or more of the following:
 - stock-based compensation expense;
 - income from discontinued operations;
 - gain on cancellation of debt;
 - debt extinguishment and related costs;
 - restructuring, separation, and/or integration charges and costs;
 - reorganization and/or recapitalization charges and costs;
 - impairment charges;
 - merger-related events;
 - gain or loss related to investments;
 - sales and use tax settlements; and
 - gain on non-monetary transactions;
- (i) revenue growth or targets;
- (j) gross or operating margins;
- (k) return measures, including return on assets, capital or investment;
- (l) cash flow, including:
 - operating cash flow;

- free cash flow;
 - levered free cash flow;
 - cash flow return on equity; and
 - cash flow return on investment;
- (m) productivity ratios;
- (n) costs, reductions in costs, and cost control measures;
- (o) expense targets;
- (p) working capital targets;
- (q) completion of acquisitions of businesses or companies;
- (r) development of new lines of business or substantially expanding existing lines of business;
- (s) completion of divestitures and asset sales;
- (t) employee hiring, retention, and diversity;
- (u) employee or customer satisfaction measurements;
- (v) execution of contractual arrangements or satisfaction of contractual requirements or milestones;
- (w) ratio of debt to stockholders' equity;
- (x) new campuses opened;
- (y) regulatory approvals to operate in new states;
- (z) maintenance of regional accreditation;
- (aa) compliance with Title IV regulations;
- (bb) sound financial, budgeting and operational practices;
- (cc) faculty hiring and development;
- (dd) curriculum and degree program development;
- (ee) student academic performance;
- (ff) information systems and technology;
- (gg) recruitment of foreign students;
- (hh) corporate partnerships and community college relations;
- (ii) any combination of any of the foregoing business criteria and any other business condition determined in the discretion of the Committee.

None of the foregoing, either at all or for particular periods, will be applied or interpreted to provide any commission, bonus, or other incentive payment based directly or indirectly upon success in securing enrollments or financial aid to any person or entity engaged in any student recruiting or admission activities or in making decisions regarding the awarding of funds under Title IV of the Higher Education Act, except as permitted by Applicable Law.

Performance under any of the foregoing Performance Measures (i) may be used to measure the performance of (x) the Company, its Subsidiaries, and other Affiliates as a whole, (y) the Company, any Subsidiary, any other Affiliate, or any combination thereof, or (z) any one or more business units or operating segments of the Company, any Subsidiary, and/or any other Affiliate, in each case as the Committee, in its

sole discretion, deems appropriate and (ii) may be compared to the performance of one or more other companies or one or more published or special indices designated or approved by the Committee for such comparison, as the Committee, in its sole discretion, deems appropriate. In addition, the Committee, in its sole discretion, may select performance under the Performance Measure specified in clause (e) above for comparison to performance under one or more stock market indices designated or approved by the Committee. The Committee shall also have the authority to provide for accelerated vesting of any Performance Award or Annual Cash Profit Share based on the achievement of performance goals pursuant to the Performance Measures specified in this Section 14.

14.5.4. Evaluation of Performance.

The Committee may provide in any Performance Award or Annual Cash Profit Share that any evaluation of performance may include or exclude any of the following events that occur during a Performance Period: (i) asset write-downs; (ii) litigation or claims, judgments, or settlements; (iii) the effect of changes in tax laws, accounting principles, or other laws or provisions affecting reported results; (iv) any reorganization or restructuring events or programs; (v) extraordinary, non-core, non-operating, or non-recurring items; (vi) acquisitions or divestitures; (vii) foreign exchange gains and losses; (viii) impact of shares of Stock purchased through share repurchase programs; (ix) tax valuation allowance reversals; (x) impairment expense; and (xi) environmental expense.

14.5.5. Adjustment of Awards; Committee Discretion.

The Committee shall have the sole discretion to adjust Awards that are intended to qualify as Performance Awards, either on a formula or discretionary basis, or on any combination thereof, as the Committee determines. The Committee shall have sole discretion to alter the governing Performance Measures applicable to any Performance Award. Any Award intended to qualify as a Performance Award may provide an objective formula or standard and the method of computing the amount of compensation payable under the Award; provided that the Committee reserves the discretion to increase or decrease the amount of compensation payable under the terms of the Award.

15. PARACHUTE LIMITATIONS

If any Grantee is a “disqualified individual,” as defined in Code Section 280G(c), then, notwithstanding any other provision of the Plan or of any other agreement, contract, or understanding heretofore or hereafter entered into by such Grantee with the Company or an Affiliate, except an agreement, contract, or understanding that expressly addresses Code Section 280G or Code Section 4999 (an “Other Agreement”), and notwithstanding any formal or informal plan or other arrangement for the direct or indirect provision of compensation to the Grantee (including groups or classes of Grantees or beneficiaries of which the Grantee is a member), whether or not such compensation is deferred, is in cash, or is in the form of a benefit to or for the Grantee (a “Benefit Arrangement”), any right of the Grantee to any exercise, vesting, payment or benefit under the Plan shall be reduced or eliminated:

(a) to the extent that such right to exercise, vesting, payment, or benefit, taking into account all other rights, payments, or benefits to or for the Grantee under the Plan, all Other Agreements, and all Benefit Arrangements, would cause any exercise, vesting, payment, or benefit to the Grantee under the Plan to be considered a “parachute payment” within the meaning of Code Section 280G(b)(2) as then in effect (a “Parachute Payment”); and

(b) if, as a result of receiving such Parachute Payment, the aggregate after-tax amounts received by the Grantee from the Company under the Plan, all Other Agreements, and all Benefit Arrangements would be less than the maximum after-tax amount that could be received by the Grantee without causing any such payment or benefit to be considered a Parachute Payment.

The Company shall accomplish such reduction by first reducing or eliminating any cash payments (with the payments to be made furthest in the future being reduced first), then by reducing or eliminating any accelerated vesting of Performance Awards, then by reducing or eliminating any accelerated vesting of Options or SARs, then by reducing or eliminating any accelerated vesting of Restricted Stock or Deferred Stock Units, then by reducing or eliminating any other remaining Parachute Payments.

16. REQUIREMENTS OF LAW

16.1 General.

The Company shall not be required to offer, sell, or issue any shares of Stock under any Award, whether pursuant to the exercise of an Option, a SAR, or otherwise, if the offer, sale, or issuance of such shares of Stock would constitute a violation by the Grantee, the Company, an Affiliate, or any other person of any provision of the Company's certificate of incorporation or bylaws or of Applicable Laws, including any federal or state securities laws or regulations. If at any time the Company shall determine, in its discretion, that the listing, registration, or qualification of any shares of Stock subject to an Award upon any Stock Exchange or Securities Market or under any governmental regulatory body is necessary or desirable as a condition of, or in connection with, the offering, sale, issuance, or purchase of shares of Stock in connection with any Award, no shares of Stock may be offered, sold, or issued to the Grantee or any other person under such Award, whether pursuant to the exercise of an Option, a SAR, or otherwise, unless such listing, registration, or qualification shall have been effected or obtained free of any conditions not acceptable to the Company, and any delay caused thereby shall in no way affect the date of termination of such Award. Without limiting the generality of the foregoing, upon the exercise of any Option or any SAR that may be settled in shares of Stock or the delivery of any shares of Stock underlying an Award, unless a registration statement under the Securities Act is in effect with respect to the shares of Stock subject to such Award, the Company shall not be required to offer, sell, or issue such shares of Stock unless the Committee shall have received evidence satisfactory to it that the Grantee or any other person exercising such Option or SAR or accepting delivery of such shares may acquire such shares of Stock pursuant to an exemption from registration under the Securities Act. Any determination by the Committee in connection with the foregoing shall be final, binding, and conclusive. The Company may register, but shall in no event be obligated to register, any shares of Stock or other securities issuable pursuant to the Plan pursuant to the Securities Act. The Company shall not be obligated to take any affirmative action in order to cause the exercise of an Option or a SAR or the issuance of shares of Stock or other securities issuable pursuant to the Plan or any Award to comply with any Applicable Laws. As to any jurisdiction that expressly imposes the requirement that an Option or SAR that may be settled in shares of Stock shall not be exercisable until the shares of Stock subject to such Option or SAR are registered under the securities laws thereof or are exempt from such registration, the exercise of such Option or SAR under circumstances in which the laws of such jurisdiction apply shall be deemed conditioned upon the effectiveness of such registration or the availability of such an exemption.

16.2 Rule 16b-3.

During any time when the Company has any class of equity security registered under Section 12 of the Exchange Act, it is the intent of the Company that the grant, settlement, and sale of Awards pursuant to the Plan and the grant, exercise, and sale of Options and SARs granted hereunder that would otherwise be subject to Section 16(b) of the Exchange Act shall qualify for the exemption provided by Rule 16b3 under the Exchange Act. In addition, the Company intends any any transaction by which a Grantee sells Stock issued in respect of the vesting or exercise of any Award granted hereunder for the purpose of settling any withholding tax liability of such Grantee (commonly referred to as a "sell to cover" or "broker-assisted cashless exercise" transaction) that would otherwise be subject to Section 16(b) of the Exchange Act shall qualify for the exemption provided by Rule 16b-3 under the Exchange Act. To the extent that any provision of the Plan or action by the Board or the Committee does not comply with the requirements of Rule 16b-3, it shall be deemed inoperative with respect to such Awards to the extent permitted by law and deemed advisable by the Board or Committee, and shall not affect the validity of the Plan. In the event that Rule 16b-3 is revised or replaced, the Committee may exercise its discretion to modify this Plan in any respect necessary or advisable in its judgment to satisfy the requirements of, or to permit the Company to avail itself of the benefits of, the revised exemption or its replacement.

17. EFFECT OF CHANGES IN CAPITALIZATION

17.1 Changes in Stock.

If the number of outstanding shares of Stock is increased or decreased or the shares of Stock are changed into or exchanged for a different number of share or kind of capital stock or other securities of the

Company on account of any recapitalization, reclassification, stock split, reverse stock split, spin-off, combination of stock, exchange of stock, stock dividend or other distribution payable in capital stock, or other increase or decrease in such Stock effected without receipt of consideration by the Company occurring after the Amendment Date, the number and kinds of shares of capital stock for which grants of Options and other Awards may be made under the Plan, including, without limitation, the Share Limit set forth in Section 4.1 and the individual limits set forth in Section 6.2, shall be adjusted proportionately and accordingly by the Committee. In addition, the number and kind of shares of capital stock for which Awards are outstanding shall be adjusted proportionately and accordingly by the Committee so that the proportionate interest of the Grantee immediately following such event shall, to the extent practicable, be the same as immediately before such event. Any such adjustment in outstanding Options or SARs shall not change the aggregate Option Price or SAR Price payable with respect to shares that are subject to the unexercised portion of an outstanding Option or SAR, as applicable, but shall include a corresponding proportionate adjustment in the per share Option Price or SAR Price, as applicable. In addition, the Committee may adjust the terms and conditions of the Awards, including the vesting conditions and any applicable Performance Measures associated with such Awards, as the Committee deems appropriate to prevent dilution or enlargement of the payments or benefits provided under any Award. The conversion of any convertible securities of the Company shall not be treated as an increase in shares effected without receipt of consideration. Notwithstanding the foregoing, in the event of any distribution to the Company's shareholders of securities of any other entity or other assets (including an extraordinary dividend, but excluding a non-extraordinary dividend, declared and paid by the Company) without receipt of consideration by the Company, the Board or the Committee shall, in such manner as the Board or the Committee deems appropriate, adjust (i) the number and kind of shares of capital stock subject to outstanding Awards and/or (ii) the aggregate and per share Option Price of outstanding Options and the aggregate and per share SAR Price of outstanding Stock Appreciation Rights, as applicable, to reflect such distribution.

17.2 Reorganization in Which the Company Is the Surviving Entity Which Does not Constitute a Change in Control.

Subject to Section 17.3, if the Company shall be the surviving entity in any reorganization, merger, or consolidation of the Company with one or more other entities which does not constitute a Change in Control, any Award theretofore granted pursuant to the Plan shall pertain to and apply to the securities to which a holder of the number of shares of Stock subject to such Award would have been entitled immediately following such reorganization, merger, or consolidation, with a corresponding proportionate adjustment of the per share Option Price and SAR Price so that the aggregate Option Price or SAR Price thereafter shall be the same as the aggregate Option Price or SAR Price of the shares of Stock remaining subject to the Option or SAR immediately prior to such reorganization, merger, or consolidation. Subject to any contrary language in an Award Agreement, in another agreement with the Grantee, or as otherwise set forth in writing, any restrictions applicable to such Award shall apply as well to any replacement shares subject to such Award or received by the Grantee as a result of the reorganization, merger, or consolidation. In the event of a transaction described in this Section 17.2, Performance Awards shall be adjusted (including any adjustment to the Performance Measures applicable to such Awards deemed appropriate by the Committee) so as to apply to the securities that a holder of the number of shares of Stock subject to the Performance Awards would have been entitled to receive immediately following such reorganization, merger, or consolidation.

17.3 Change in Control in which Awards are not Assumed.

Except as otherwise provided in the applicable Award Agreement, in another agreement with the Grantee, or as otherwise set forth in writing, upon the occurrence of a Change in Control in which outstanding Awards are not being assumed or continued, the following provisions shall apply to such Award, to the extent not assumed or continued:

- (i) Immediately prior to the occurrence of such Change in Control, in each case with the exception of any Performance Award, all outstanding shares of Restricted Stock and all Stock Units, Deferred Stock Units, and Dividend Equivalent Rights shall be deemed to have vested, and all shares of Stock and/or cash subject to such Awards shall be delivered; and
- (ii) Either of the following two (2) actions shall be taken:

- (a) At least fifteen (15) days prior to the scheduled consummation of such Change in Control, all Options and SARs outstanding hereunder shall become immediately exercisable and shall remain exercisable for a period of fifteen (15) days. Any exercise of an Option or SAR during this fifteen (15)-day period shall be conditioned upon the consummation of the Change in Control and shall be effective only immediately before the consummation thereof, and upon consummation of such Change in Control, the Plan and all outstanding but unexercised Options and SARs shall terminate, with or without consideration (including, without limitation, consideration in accordance with clause (b) below) as determined by the Committee in its sole discretion. The Committee shall send notice of an event that shall result in such a termination to all persons who hold Options and SARs not later than the time at which the Company gives notice thereof to its shareholders.
- or
- (b) The Committee may elect, in its sole discretion, to cancel any outstanding Awards of Options, SARs, Restricted Stock, Stock Units, Deferred Stock Units, and/or Dividend Equivalent Rights and pay or deliver, or cause to be paid or delivered, to the holder thereof an amount in cash or securities having a value (as determined by the Committee acting in good faith), in the case of Restricted Stock, Stock Units, Deferred Stock Units, and Dividend Equivalent Rights (for shares of Stock subject thereto), equal to the formula or fixed price per share paid to holders of shares of Stock pursuant to such Change in Control and, in the case of Options or SARs, equal to the product of the number of shares of Stock subject to the Option or SAR, multiplied by the amount, if any, by which (I) the formula or fixed price per share paid to holders of shares of Stock pursuant to such transaction exceeds (II) the Option Price or SAR Price applicable to such Options or SARs (such amount, the “*Spread*”). For the avoidance of doubt, the Committee may elect, in its sole discretion, to cancel any outstanding Awards of Options or SARs for zero consideration if the Spread associated with any such Option or SAR is equal to, or less than, zero.
- (iii) For Performance Awards, if less than half of the Performance Period has lapsed, such Awards shall be treated as though target performance has been achieved. If at least half of the Performance Period has lapsed, actual performance to date shall be determined as of a date reasonably proximal to the date of consummation of the Change in Control as determined by the Committee in its sole discretion, and that level of performance thus determined shall be treated as achieved immediately prior to occurrence of the Change in Control. For purposes of the preceding sentence, if, based on the discretion of the Committee, actual performance is not determinable, the Performance Awards shall be treated as though target performance has been achieved. After application of this Section 17.3(iii), if any Awards arise from application of this Section 17, such Awards shall be settled under the applicable provision of Section 17.3(i) and (ii).
- (iv) Other-Equity Based Awards shall be governed by the terms of the applicable Award Agreement.

With respect to the Company’s establishment of an exercise window, (i) any exercise of an Option or SAR during such fifteen (15)-day period shall be conditioned upon the consummation of the event and shall be effective only immediately before the consummation of the event, and (ii) upon consummation of any Change in Control, the Plan and all outstanding but unexercised Options and SARs shall terminate. The Board shall send notice of an event that will result in such a termination to all individuals and entities who hold Options and SARs not later than the time at which the Company gives notice thereof to its shareholders.

17.4 Change in Control in which Awards are Assumed.

Except as otherwise provided in the applicable Award Agreement, in another agreement with the Grantee, or as otherwise set forth in writing, upon the occurrence of a Change in Control in which outstanding Awards are being assumed or continued, the following provisions shall apply to such Award, to the extent assumed or continued:

The Plan, Options, SARs, Restricted Stock, Stock Units, Deferred Stock Units, Dividend Equivalent Rights, and Other Equity-Based Awards theretofore granted under the Plan shall continue in the manner

and under the terms so provided in the event of any Change in Control to the extent that provision is made in writing in connection with such Change in Control for the assumption or continuation of such Awards theretofore granted, or for the substitution for such Awards for new stock options, stock appreciation rights, restricted stock, deferred stock units, unrestricted stock, dividend equivalent rights, and other equity-based awards relating to the capital stock of a successor entity, or a parent or subsidiary thereof, with appropriate adjustments as to the number of shares (disregarding any consideration that is not common stock) and exercise prices of options and stock appreciation rights. For Performance Awards, the Committee may modify any existing Performance Measures for any open Performance Period to reflect the Change in Control, or the Committee may deem any Performance Measures for any open Performance Period achieved at target, maximum, or actual performance (determined in the Committee's discretion), with any such Performance Awards continued following the Change in Control subject solely to time-based vesting conditions. In the event a Grantee's Award is assumed, continued or substituted upon the consummation of any Change in Control and his employment is terminated without Cause within six (6) months following the consummation of such Change in Control, the Grantee's Award will be fully vested and may be exercised in full, to the extent applicable, beginning on the date of such termination and for the one (1)-year period immediately following such termination or for such longer period as the Committee shall determine.

17.5 Adjustments

Adjustments under this Section 17 related to shares of Stock or other securities of the Company shall be made by the Committee, whose determination in that respect shall be final, binding and conclusive. No fractional shares or other securities shall be issued pursuant to any such adjustment, and any fractions resulting from any such adjustment shall be eliminated in each case by rounding downward to the nearest whole share. The Committee may provide in the Award Agreement as of the Grant Date, in another agreement with the Grantee, or otherwise in writing at any time thereafter with the consent of the Grantee, for different provisions to apply to an Award in place of those described in Sections 17.1, 17.2, 17.3 and 17.4. This Section 17 shall not limit the Committee's ability to provide for alternative treatment of Awards outstanding under the Plan in the event of change in control events involving the Company that are not a Change in Control hereunder. In addition, the Committee in its discretion may provide that any escrow, holdback, earnout or similar provisions in the definitive documents relating to any Change in Control or any corporate event that does not constitute a Change in Control hereunder may apply to any payment to the holders of Options or SARs to the same extent and in the same manner as such provisions apply to the holders of Stock. Finally, the Committee in its discretion need not treat Awards or Grantees uniformly and may take action under this Section 17 to treat Awards differently from other Awards and treat Awards held by a Grantee differently from Awards held by any other Grantee.

17.6 No Limitations on Company.

The making of Awards pursuant to the Plan shall not affect or limit in any way the right or power of the Company to make adjustments, reclassifications, reorganizations, or changes of its capital or business structure or to merge, consolidate, dissolve, or liquidate, or to sell or transfer all or any part of its business or assets (including all or any part of the business or assets of any Subsidiary or other Affiliate) or to engage in any other transaction or activity.

18. GENERAL PROVISIONS

18.1 Disclaimer of Rights.

No provision in the Plan, any Award, or any Award Agreement shall be construed (i) to confer upon any person the right to remain in the Service of the Company or an Affiliate, (ii) to interfere in any way with any contractual or other right or authority of the Company or an Affiliate either to increase or decrease the compensation or other payments to any person at any time, or (iii) to terminate any Service or other relationship between any Person and the Company or an Affiliate. In addition, notwithstanding any provision of the plan to the contrary, unless otherwise stated in the applicable Award Agreement, in another agreement with the Grantee, or otherwise in writing, no Award granted under the Plan shall be affected by any change of duties or position of the Grantee, so long as such Grantee continues to provide Service. The obligation of the Company to pay any benefits pursuant to this Plan shall be interpreted as a contractual

obligation to pay only those amounts described herein, in the manner and under the conditions prescribed herein. The Plan and Awards shall in no way be interpreted to require the Company to transfer any amounts to a third party trustee or otherwise hold any amounts in trust or escrow for payment to any Grantee or beneficiary under the terms of the Plan.

18.2 Nonexclusivity of the Plan.

Neither the adoption of the Plan nor the submission of the Plan to the shareholders of the Company for approval shall be construed as creating any limitations upon the right and authority of the Board or the Committee to adopt such other incentive compensation arrangements (which arrangements may be applicable either generally to a class or classes of individuals or specifically to a particular individual or particular individuals) as the Board or the Committee in their discretion determines desirable.

18.3 Withholding Taxes.

The Company or an Affiliate, as the case may be, shall have the right to automatically, and without any action on the part of the Grantee, deduct from payments of any kind otherwise due to a Grantee any federal, state, or local taxes of any kind required by Applicable Law to be withheld with respect to the vesting of or other lapse of restrictions applicable to an Award or the issuance of any shares of Stock or cash upon the exercise of, settlement of, or otherwise with respect to, an Award. At the time of such vesting, lapse, exercise, settlement, or other payment, the Grantee shall pay in cash to the Company or such Affiliate, as the case may be, any amount that the Company or such Affiliate may reasonably determine to be necessary to satisfy such withholding obligation; *provided, however*, that if there is a same day sale of shares of Stock subject to an Award, the Grantee shall pay such withholding obligation on the day that the same day sale is completed. Unless otherwise specifically set forth in an Award Agreement to the contrary, any Grantee may automatically satisfy such withholding obligations, in whole or in part, (i) by causing the Company or an Affiliate to withhold shares of Stock otherwise issuable to the Grantee, (ii) by delivering to the Company or an Affiliate shares of Stock already owned by the Grantee, or (iii) by selling shares of Stock using a broker-assisted cashless exercise or broker-assisted sell-to-cover transaction and remitting cash proceeds from such Sale sufficient to satisfy such withholding obligations. The shares of Stock so delivered or withheld shall have an aggregate Fair Market Value equal to such withholding obligations. The Fair Market Value of the shares of Stock used to satisfy such withholding obligations shall be determined by the Company or an Affiliate as of the date on which the amount of tax to be withheld is to be determined. A Grantee who has made an election pursuant to this Section 18.3 may satisfy his or her withholding obligations only with shares of Stock that are not subject to any repurchase, forfeiture, unfulfilled vesting, or other similar requirements. The maximum number of shares of Stock that may be withheld from any Award to satisfy any federal, state, or local tax withholding requirements upon the exercise, vesting, lapse of restrictions applicable to such Award, or payment of shares of Stock pursuant to such Award, as applicable, cannot exceed such number of shares of Stock having a Fair Market Value equal to the minimum statutory amount required by the Company or an Affiliate to be withheld and paid to any such federal, state, or local taxing authority with respect to such vesting, lapse, exercise, settlement, or other payment.

18.4 Captions.

The use of captions in this Plan or any Award Agreement is for convenience of reference only and shall not affect the meaning of any provision of the Plan or such Award Agreement.

18.5 Other Provisions.

Each Award granted under the Plan may contain such other terms and conditions not inconsistent with the Plan as may be determined by the Committee, in its sole discretion.

18.6 Number and Gender.

With respect to words used in this Plan, the singular form shall include the plural form, the masculine gender shall include the feminine gender, etc., as the context requires.

18.7 Severability.

If any provision of the Plan or any Award Agreement shall be determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining provisions hereof and thereof shall be severable and enforceable in accordance with their terms, and all provisions shall remain enforceable in any other jurisdiction.

18.8 Governing Law

The validity and construction of this Plan and the instruments evidencing the Awards hereunder shall be governed by, and construed and interpreted in accordance with, the laws of the State of Maryland, other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Plan and the instruments evidencing the Awards granted hereunder to the substantive laws of any other jurisdiction.

18.9 Section 409A of the Code.

The Plan is intended to comply with Code Section 409A to the extent subject thereto, and, accordingly, to the maximum extent permitted, the Plan will be interpreted and administered to be in compliance with Code Section 409A. Any payments described in the Plan that are due within the Short-Term Deferral Period will not be treated as deferred compensation unless Applicable Laws require otherwise. Notwithstanding any provision of the Plan to the contrary, to the extent required to avoid accelerated taxation and tax penalties under Code Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to the Plan during the six (6)-month period immediately following the Grantee's Separation from Service will instead be paid on the first payroll date after the six (6)-month anniversary of the Grantee's Separation from Service (or the Grantee's death, if earlier).

Notwithstanding the foregoing, neither the Company nor the Committee will have any obligation to take any action to prevent the assessment of any excise tax or penalty on any Grantee under Code Section 409A, and neither the Company or an Affiliate nor the Board or the Committee will have any liability to any Grantee for such tax or penalty.

18.10 Prohibition on Hedging; Application of Company Clawback Policy

Except to the extent that the Committee provides otherwise in an applicable written policy as may be in effect from time to time, no Employee, Non-Employee Director, or any of their designees, may engage in any transaction that is designed to hedge or offset any decrease in the market value of the Company's equity securities with regard to any Stock issued under the Plan or any Stock subject to an Award grant under the Plan

All grants under the Plan are subject to the applicable provisions of the Company's clawback or recoupment policy approved by the Committee, as such policy may be in effect from time to time and to the extent such policy is applicable to any Grantee hereunder.

* * *

To record adoption of this amended and restated Plan by the Board as of September 4, 2018, and approval of this amended and restated Plan by the shareholders on [Date], the Company has caused its authorized officer to execute the Plan.

STRATEGIC EDUCATION, INC.

By: _____

Title: *General Counsel and Secretary*

Signature Page to the Strategic Education, Inc. 2018 Equity Compensation Plan

**First Amendment to the
Strategic Education, Inc.
2018 Equity Compensation Plan**

THIS FIRST AMENDMENT (the “**First Amendment**”) to the Strategic Education, Inc. 2018 Equity Compensation Plan (the “**Plan**”), was adopted by Strategic Education, Inc.’s (the “**Company’s**”) board of directors (the “**Board**”) on February 24, 2022 to be effective April 27, 2022 (the “**Effective Date**”).

WITNESSETH:

WHEREAS, the Company previously adopted the Plan, under which the Company is authorized to grant equity-based incentive awards to certain employees and service providers of the Company;

WHEREAS, the Company’s Board has determined that it is desirable to amend the Plan, effective as of the Effective Date and subject to approval by the stockholders of the Company, to increase the maximum number of shares for which Awards may be granted under the Plan; and

WHEREAS, Section 5.2 of the Plan provides that the Board may amend the Plan from time to time, subject to approval by the stockholders of the Company as required by applicable law.

NOW, THEREFORE, the Plan shall be amended as of the Effective Date, subject to approval by the Company’s stockholders, as set forth below:

1. Section 4.1 of the Plan shall be deleted and replaced with the following:

Subject to adjustment as provided in Section 4.2 and Section 17, the number of shares of Stock reserved for issuance under the Plan will be equal to the sum of (i) seven hundred thousand (700,000) shares of Stock, plus (ii) the number of shares of Stock available for future awards under the Prior Plan as of the Amendment Date, plus (iii) the number of shares of Stock related to awards outstanding under the Prior Plan as of the Amendment Date that thereafter terminate by expiration or forfeiture, cancellation, or otherwise without the issuance of such shares of Stock, plus (iv) 911,465 shares of Stock available for future awards under the Capella Education Company Equity Incentive Plan (the “**Capella Plan**”) as of the Amendment Date, plus (v) the number of shares of Stock related to awards outstanding under the Capella Plan as of the Amendment Date that thereafter terminate by expiration or forfeiture, cancellation, or otherwise without the issuance of such shares of Stock (the “**Share Limit**”). Any of the shares of Stock reserved and available for issuance under the Plan may be used for any type of Award under the Plan, and any or all of the shares of Stock reserved for issuance under the Plan shall be available for issuance pursuant to Incentive Stock Options. Shares of Stock to be issued under the Plan shall be authorized but unissued shares or, to the extent permitted by Applicable Laws, issued shares that have been reacquired by the Company.

NOW, THEREFORE, be it further provided that, except as set forth above, the Plan shall continue to read in its current state.

IN WITNESS WHEREOF, the Company has caused the execution of this First Amendment by its duly authorized officer, effective as of the Effective Date and subject to approval of the Company’s stockholders.

STRATEGIC EDUCATION, INC.

By: _____
Name: _____
Title: _____
Date: _____

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